

SATURDAY NIGHT

THE CANADIAN WEEKLY



THE war news up to the middle of the week was calculated to produce a much better Christmas spirit in the Allied countries than in Germany; and indeed it must have been exceedingly difficult for the German propaganda officials to impart any coloring to the facts which would make them appear less than profoundly depressing to Nazi readers. Herr Hitler's scuttling of the *Graf Spee* may be in the best Wagnerian tradition, but it has altogether too much of the Twilight of the Gods atmosphere about it to be cheerful reading to a nation which has been schooled in the belief that the pocket battleship is a practically invincible product of German genius. It would have been far better psychology to let it be interned in Montevideo, a proceeding which would have involved no risk of its secrets being pried into (unless Uruguay entered the war later on the Allied side) and would have allowed the German people to continue to hope that they would get it back in the event of their ultimate victory. With the *Graf Spee* tragedy capped by the evident collapse of the Russian invasion of Finland, a series of Allied victories in the air, the successful transshipment of a large Canadian expeditionary force to Great Britain, and the announcement of the huge air training scheme for British, Australian, New Zealand and Canadian fliers in Canada, the Germans must have had far too much bad news at one time for any hope of a really Merry Christmas.

The psychological effect of the Russian difficulties must be enormous, especially in those Balkan areas where the fear of Russian and German penetration has been greatest. This is largely a psychological war, and the value of any successes in it is far greater than their immediate strategic effect. The market quotation on Allied stock, so to speak, has gone up sharply since last Saturday, and we are all sharers in the profits.

The Royal Movie

NONE of the many millions of Canadians who took so lively an interest in the progress of Their Majesties from shore to shore of this Dominion should miss seeing the official film in which the chief events of that progress are recorded for the eyes and ears of ourselves and of posterity. Although the film is long, and the chief characters are almost continuously on the stage (Mr. King, it may be noted, is not nearly so all-pervasive as some hostile commentators suggested at the time), there is no danger of monotony, for the simple reason that the real subject of the film is not what the King and Queen did in Canada, but what Canadians of all races and sections and classes did about the King and Queen. In scenic settings of the most varied and captivating beauty from the Plains of Abraham to the harbor of Victoria, hundreds of thousands of Canadians are here shown pouring out their tribute of affection and admiration to the devoted Royal pair who so completely won their hearts. A more emotion-stirring pictorial document has never, we think, been turned out by any government agency or group of agencies.

The Air Agreements

THE ignoring of constitutional difficulties is a favorite device of politicians who are not in power and wish to criticize those who are, and we have no doubt that Canadian politicians unsympathetic to Mr. King will continue to assert that he should have adopted at once the original air training proposals of the British Government, and thereby made possible a somewhat earlier development of large-scale training in Canada of British and other non-Canadian air forces. The training project now going into effect has taken a considerable time to arrange, and might never have been arranged but for the outbreak of the war; nevertheless we believe it to be far sounder constitutionally than the original British proposals. A military establishment can be responsible to one sovereignty only; and the establishments originally proposed were to belong to the United Kingdom and could not be responsible to any other sovereignty, including that of Canada. The presence in Canada of organizations and individuals entirely without responsibility to the Canadian

sovereign power could not have failed to be dangerous to the continuance of a perfect concord between Canada and the United Kingdom.

It has been assumed, without any basis in official pronouncements, that the chief danger feared by the King Government in such a situation was that the presence of such establishments might compel Canada to accompany the United Kingdom into war whether the Canadian people desired to enter it or not. But that is merely one, though perhaps the most conspicuous, of the difficulties that might arise. The management of discipline, in a military establishment in territory ruled by a different government, is always a most difficult problem even under peace conditions, and would be peculiarly so in the case of an air force, whose members would inevitably range freely over a great deal of the territory of the government of which they would be guests. The principle now adopted, by which the controlling authority of the whole organization is to be the R.C.A.F., under a Minister responsible to the Canadian Parliament, and with the privileges and responsibilities of the other governments definitely set forth in agreements, is the only one suitable to the situation. We hope that it will be applied to many other agreements tending to the same end—the co-ordination of the military and economic strength of the Commonwealth nations for the pursuit of their common objectives.

Air Force Recruit

IT WAS with mingled feelings that we learned last week that Mr. Clement George McCullagh will shortly relinquish his civilian occupations in order to join the Royal Canadian Air Force. That the Force will receive a courageous, energetic and resourceful officer, and the Squadron mess a most congenial messmate, is plain enough; and at the present moment these are perhaps the important things. But after all, Mr. McCullagh is the publisher of the *Globe and Mail*, and presumably is going to remain the publisher of the *Globe and Mail*; and what the *Globe and Mail* is going to be like with him away, and nobody to tell the boys what ought to be done next, we cannot imagine.

For the truth is that Mr. McCullagh has been publishing the *Globe and Mail* very much as if he were already a squadron leader commanding a flock of fighting planes—raids here and raids there, always against the most unexpected, and often the

most impregnable, objectives—a Leadership League against the dominance of the politicians, a frontal attack upon the provincial legislatures, a sniping campaign against the war aim declarations of Mr. King, Mr. Chamberlain and M. Daladier, a bomb-dropping raid on the moral character of the German people, and ever and anon a Lone Eagle expedition by Judith Robinson against the deeply entrenched forces of official inertia, evasiveness and incompetence. These things have made the daily breakfast event of the opening of the *Globe and Mail* a thing of excitement and suspense, quite apart from any news which the paper might or might not contain. We shall miss them. Judith Robinson will probably go on Lone Eagle-ing, being incorrigible; but for the rest, all the excitement there has been in the paper has been Mr. McCullagh's personal doing, and there is no getting around that.

Whether a Toronto morning paper ought to be quite so exciting is another question, but if the *Globe and Mail* is going to be less exciting it will have to become a trifle newsier.

Paying for the War

THIS is the most expensive war in history, and Canadians are going to have to carry their full share of the expense, and we think it is rather a pity that they have not yet begun to have it loaded on to them in the way of taxation. The only respect in which this war is cheaper than the last one is in the actual consumption of explosives, and even in that it may catch up at any time and perhaps far outdo its predecessor. In the matter of cost of mechanical equipment per man in the field, the present super-mechanized war is probably running four or five times heavier. A thousand men in the field today require a provision of tanks, airplanes, machine guns, artillery and engineering equipment such as was only beginning to be dreamed of in the last year of 1914-18.

It is quite indisputable that the ultimate result of the war must be a considerable reduction in the standard of living of all those classes which can effect such a reduction and still live healthy and decent lives. That the sacrifice must not be imposed on any other class is evident enough; people who already live in slums and on an inadequate diet cannot be expected to live in worse slums and on a worse diet, and it would not help the country at all if they did. The income tax will clearly have to be intensi-

THE FRONT PAGE

↑ THE PICTURES ↓

CHRISTMAS COMES TO CANADA'S YOUNGSTERS even in War-time. These pictures were selected from the pre-Christmas show of the Focal Forum, the photographic club composed of employees of the Consolidated Press, publishers of "Saturday Night". Keith and Conrad Lister in the photo by Ray D. Lister (left) are perhaps tracing the course of some German sea-raider on their lovely new globe. Marjorie Phillips, pictured by Ernest Phillips, is obviously dreaming about Santa Claus. May every child in Canada have as happy a Christmas as these "Saturday Night" little ones.

fied even further than it was at the last session of Parliament, and it will be very sound policy if it is made to apply to a somewhat lower range of incomes than at present, where the income is readily ascertainable and reasonably stable.

Luxury expenditure is not confined to individuals; a good deal of it is done in these days by various taxing authorities, and will have to be curtailed for the time like private expenditure of the same kind. Expenditure on roads, for example, will next year have to be carefully divided into that which is imperatively needed for the efficient movement of already existing traffic and that which is not, and the latter will have to be postponed. If one of the results of our helping the cause of international justice and freedom is that we shall have to put up with poorer roads than our United States neighbors, why, we shall just have to face it and cheer ourselves with the thought that duty done is better even than paved roads, and a good conscience than many four-lane highways.

Luxury expenditures may again be divided into those which result in some cultural benefit and those which do not. We should be sorry to see Canadians paying for their war by cutting down their expenditure on books, for example, or high-grade music, or the better drama and cinema. On the other hand the wastes which result from gambling, excessive drinking, ill-bred extravagance in food and dress, are definitely anti-social and should be discouraged by all public-spirited persons. Wealth in these days is not a mere personal possession, it is a trust to be used in the interests of a hard-pressed nation.

Responsible Reporting

AS IT is now abundantly evident that Col. Drew did not, in the course of a speech or interview last week, say anything whatsoever about the Canadian navy, tinpot or otherwise, discussion of the question whether he would or would not have been justified in saying what he was reported as saying becomes distinctly academic. We continue to be unable to see any reason why he shouldn't have said it, but as most of the newspapers which denounced him for saying it have since apologised with great abjectness the matter need not be further debated in these busy times.

Incidentally we have to congratulate Col. Drew on being the first Canadian public man in many years to obtain a complete and unqualified withdrawal of an

"Jay" will resume his camera column in next week's issue. He has been prevented by illness from contributing to the last two issues. Correspondents will please be patient.

erroneous report from the newspaper which published it, and also to congratulate the Edmonton *Journal* on being the first Canadian newspaper in many years to have the courage and decency to make such a withdrawal. The whole incident suggests that journalistic standards, which have been going from bad to worse for a long time, may possibly have taken a definite turn for the better. The reporting of the public utterances of a public man is a task which ought to be undertaken only with a profound sense of responsibility, and the type of reporter who picks them up at second hand, or embroiders them with the trimmings of his own imagination, is a menace to the honesty

(Continued on Page Three)

THE PASSING SHOW

BY HAL FRANK

CHRISTMAS DAY exhortation: Eat, drink and be merry, for to-morrow we budget.

This is our greeting, far and near,
Happy Christmas, Merry New Year.
—Slightly Befuddled Manuscript.

First citizen: And whom are these presents for?
First citizeness: Those are for the people we may have forgotten.

The Finns have certainly enlightened the world. They have shown that the might of Russia is in the grammatical rather than the military category.

There is a current rumor that, because of expected Nazi air raids on London and Paris, the populations of those cities will be evacuated to the Siegfried Line.

The scuttling of the *Graf Spee* is a further proof that the Germans are past masters of undersea strategy.

Question of the Hour: Henry, did you mail the Christmas cards?

The German version, of course, is peace on earth, West Wall toward men.

Heard in the Christmas book shop: "We can't give Hilda this book. I've read it."

Naval activities of the past week, remarks Timus, are a final proof that the war's completely at sea.

1940, remarks a commentator, will be a year of ominous events. Naturally, stupid, it's Leap Year!

The world is getting more realistic and wise to itself. Few are the presents now that are marked "not to be opened until Christmas".

And then there is the story of the parent who hid his son's toys so successfully that on Christmas morning he had to ask junior where they were.

This Christmas is tragically double-barrelled. It is the time of both giving and misgiving.

Esther says she is not being foolish this Christmas. She says she is selecting her dinner guests on the basis of whether they like white or dark meat.

How Serious is the Russian Threat to the World?

BY COL. GEORGE DREW

MINGLED with admiration for the superlative courage and skill of the Finnish troops is wonder that the Russian Colossus has been unable to crush a nation which it outnumbers by nearly fifty to one in more than three weeks' fighting. The world has learned two very important truths about Soviet Russia. One is that Stalin is the very spirit of evil incarnate on this earth and the other is that the armed might of Russia is a myth.

Surprise has been expressed that Russia should have attacked during the winter months, and the failure of the attack has been attributed by many to the fact that Russia made a sudden decision to wage war on Finland at the very worst time of year. That, however, is not the case. Russia timed the attack for what they considered the most suitable time of the year, having regard to the nature of the country they hoped to conquer quickly with tanks and mechanized artillery. Finland is dotted with lakes and swamps which tanks and mechanized transport would find almost impassable during the summer. The Russians waited until these lakes and swamps were frozen hard so that heavy mechanical equipment could move anywhere. The severity of the weather is not the explanation of Russia's failure. They chose the very best time of year from their point of view for the attack on Finland.

The extraordinarily high casualties amongst the Russian tanks has been due partly to the splendid work of the Finnish anti-tank gunners, but it has also been largely due to the mechanical inefficiency of the machines themselves and the lack of skilled mechanics.

Reports indicate that, although the Soviet artillery is equipped with fairly good weapons, their marksmanship is extremely bad. Even on the hard frozen ground a large percentage of the shells do not explode. There is an obvious reason for this. The guns were made before 1933 by German engineers and technicians using German machines. The Soviet troops, however, are badly disciplined and have had very little training with live shells. While Stalin has been busy shooting thousands of officers, because of alleged revolutionary tendencies, he has not been impressed with the wisdom of entrusting large quantities of artillery ammunition to troops who might make use of that ammunition to carry those revolutionary tendencies into effect. The bad marksmanship of the Soviet artillery, the machine gunners, and the infantry, which has been so noticeable to correspondents, is the result of that simple but very important fact. Many of the Russian troops are getting almost their first experience with live ammunition.

Russian troops, who have been driven out of the narrow northern neck of Finland into Norway, are described as being in pitiful condition. They are badly clothed and starving. This is merely part of the accumulating evidence that one of the very important reasons for the bad showing of the Russian troops is because transportation is the weakest link in the Russian chain of military organization.

Backwardness of Transport

When Caesar conquered most of the known world he taught a lesson which has become increasingly important. He was the first to recognize the part that transportation plays in any war of conquest. He built military roads throughout Europe and the British Isles which have never been surpassed. For two thousand years soldiers have been learning the lessons he taught. The maintenance of supplies, munitions, and reserves, depends upon efficient transportation.

In no other phase of its national economy is Russia more backward. Throughout the whole of Western Russia there is not a single cement or asphalt highway connecting Moscow or any of the other large cities with the frontiers. Even the old pre-Revolutionary highways, paved with stone blocks, are in such a state of disrepair that a trip by automobile is an exciting adventure. Almost all of the main roads are of clay only lightly gravelled. They could only be used by heavy mechanical transports in the short period of dry weather or when they are frozen hard and not blocked by snow. For the present the surface of these roads will be hard enough to carry tanks and mechanical transports, but snow is already causing serious difficulty.

The railways are just as bad. The roadbeds are in disrepair and the rolling stock is worse. I have never seen tracks and roadbeds on any railway in worse condition than on the mainline between Moscow and Warsaw. Deceptive figures have been issued regarding the increased mileage and output of equipment, but the fact is that the rails, rolling stock and equipment of the Russian railways is hopelessly inadequate even for their normal peace-time requirements, let alone the heavy demands of a winter war.

An accurate analysis of the reasons for the bad showing of the Russian troops against Finland is to be found in Boris Souvarine's authoritative book on Russian conditions, which was published last summer under

A TIRED BALLAD

PUT into port; the long pursuit is ending—
Now is the tide of tinsel at the flood;
O'er weary heads the holly wreaths are bending,
As wanes the wild December interlude.

Despatched, the purple ascot andalusian,
The iridescent hose, the feathered mule;—
Subsiding now the seasonal confusion,
The frenzied prelude to the feast of Yule.

The frock for Fran that breathed of Schiaparelli,
On impulse bought when budget hopes were high;
The sadly-chosen slightly shopworn Shelley,
Awaiting father's annual irony.

The pageantry of packages approaches,
Supreme of seal and silver cellophane,—
The open season of the cheque encroaches,
And wreaths of ravished wallets walk again.

Winnipeg, Man. IRENE CHAPMAN BENSON.

the title "Stalin." These are his words, written long before there was any expectation that Russia would be starting wars of conquest this year.

"Neither industry nor agriculture, and still less transport, is ready in the U.S.S.R. to endure the high tension of a modern war."

"A report by Kaganovich admits 62,000 railway accidents for the year 1934 alone, 7,000 locomotives put out of action, 4,500 trucks destroyed, and more than 60,000 damaged. These figures increased in the first month of 1935, and there were 'hundreds of dead, thousands of wounded.' After, just as before, the Five Year Plan, the inhabitants had to undergo hours and hours of waiting and interminable formalities to get a needle in Moscow or a nail in the Provinces, or a little salt practically anywhere, a railway ticket, a box of matches, a gramme of quinine. Stalin allows himself the frequent spectacle of imposing parades with defiles of tanks and aeroplanes, but he does not realize that in war-time his engines will lack oil or petrol, his artillery will lack munitions, and he will be unable to repair them as soon as they are put out of commission. He may condemn to death for culpable negligence the mechanics and drivers who have escaped from accidents but that cannot improve the railways, or the rolling stock. Whether in regard to equipment, re-stocking, management, or sanitary



A CHRISTMAS PICTURE FOUR CENTURIES OLD. This lovely Rondel, 34 1/2 inches diameter, showing Madonna and Child with St. John, is by an unidentified Florentine painter, evidently a follower of di Credi and influenced by Ghirlandajo and Botticelli. It is the property of B. M. Greene, editor of "Who's Who in Canada", and hangs with other notable old paintings in his apartment in the Royal York Hotel.

services, nothing encourages the rulers to optimism regarding organization and technique."

Everything which has happened in Finland during the past three weeks has borne out the accuracy of Souvarine's estimate of Russia's inability to meet the heavy internal demands of a prolonged war on any front.

Gauge Difference Vital

Quite apart from the inefficiency of their railway systems, there is another factor of the utmost importance which must be taken into consideration in forming any opinion of Russia's power in a war waged beyond her own borders. The Russian railways are of a much wider gauge than those of any other nation in Europe. This means that any troop or supply train must stop at the Russian frontier. The only way that troops and supplies can be moved farther forward is to have trains available to which they can transfer their troops and supplies, or to lay new tracks as they advance. Neither of these offers much hope to the Russian military leaders. Where they would acquire possession of the trains of a different gauge is difficult to guess, and the condition of the tracks now in use in Russia does not suggest that the Soviet Government has men available who are able to do the necessary track laying to build their

own lines forward. This necessity for trans-shipment at the Russian border now assumes considerable importance, not only for the Russians, but also for the Germans, who evidently had some hope of obtaining raw materials and supplies from Russia. Even if the Soviet Government could spare what Germany needs, there are practical difficulties in the way which could only be surmounted in the unlikely event that Stalin would permit German engineers to organize the transportation and supply systems within Russia.

Russia's potential strength is enormous. She possesses inexhaustible natural resources which, under an efficient government, could provide comfort and security for their large population. The attempt to employ these resources has resulted in a strange confusion of Asiatic backwardness and Asiatic ostentation. The ostentation and the boastfulness have misled those who could not or would not recognize the medieval backwardness and cruelty of the despotic government which now rules Russia. It is important that the outside world should remember that there have been three distinct types of government in Russia since the Czar was overthrown. First there was the Socialist Government of Kerensky. Then there was the Communist Government of Lenin. Now they are under the rule of a pagan tyrant who has destroyed even such slight hope of social and economic reform as might have been offered

by the theories of Karl Marx. Those misguided radicals who still place some hope in Marx's teachings should remember that Marx himself warned that Russia was the one country in Europe where Communism could not succeed. Stalin has justified the warning written by Marx in 1864 when he cautioned against "the immense and unobstructed encroachment of that barbarous power whose head is at St. Petersburg and whose hand is detected in all the cabinets of Europe."

Russia's Threat to World

How serious is the Russian threat to the rest of the world? That is the question which most thinking people are asking themselves today. False conclusions may easily be drawn. The equipment of the air force, army and navy is plentiful but out of date. The training and morale of the troops is bad. The army and navy have few trained officers. Transportation facilities by rail, road and river are not nearly adequate for Russia's minimum peace-time requirements. Industry and agriculture are badly disorganized. The people are short of food and clothing. As a nation they are in every respect unfitted to engage any great power. What then is the danger? For centuries Russia has expanded her territory although she has won few wars. Russia has never been a strong military power but Russia has always chosen the time well. When other powers were engaged in wars of their own Russia carried out further depredations against weak neighbors. But Stalin's plans do not end there. He expects to carry his activities far beyond the attack on Finland. He may be helpless against any first-class power today but he has hopes, and perhaps not unreasonable hopes, that tomorrow will be a different story.

He waits and hopes that Great Britain, France, Germany and Italy will pound each other to exhaustion. In such a war he expects that they will destroy those very industrial plants, producing the machinery of war and peace, which make them so much stronger than Russia is today. Nobody knows better than he does that Russia is on the verge of another revolution but he also knows that nothing will more quickly restore the common purpose of an enslaved and hungry people than the hope of loot. Stalin recognizes the weakness of his own position. He knows that the only way that mere numbers may become effective is if the powers of Western Europe fight to the point of exhaustion.

It would be dangerous folly to lose sight for a moment of the immediate threat of a highly organized and powerful Germany under a man as treacherous and depraved as Stalin himself. There can be no lasting peace in Europe until Hitler and his adherents are permanently deprived of power, but in recognizing that immediate threat and that immediate duty, we should recognize what the consequences would be of any war of vengeance against the German people. If there is to be peace in Europe, Hitler and what he stands for must be destroyed, but there can be no decent peace in Europe until every small nation is free from the threat of Soviet Russia.

Expulsion From League

The expulsion of Russia from the League of Nations may be a turning point in history. Although we see little immediate effect it may be the practical beginning of some working plan of collective security. It is true the League failed to act when Japan invaded Manchuria, when Italy conquered Ethiopia, and when Germany marched into Austria and Czechoslovakia. But the nations of the world have learned a lot since then. They now know, as they never knew before, that those nations which love freedom must stand together to defend freedom with force of arms if necessary. They have come to realize that a policy of non-intervention merely means that each country must defend itself against aggressor nations as best it can when the time comes, and that aggression does not become the affair of other nations until such time as they themselves are affected. In the meantime they will trade with the aggressors and their victims with complete impartiality. The world has been learning in the past few months that such a policy means national suicide in the end, no matter how appealing it may seem as a temporary expedient for avoiding war.

Whether the League of Nations continues under that name or not, the unanimous decision of the representatives of a majority of the nations of the world meeting at Geneva gives real hope that a widespread belief in effective mutual assistance is now taking form. Undoubtedly there are dark days ahead before the Nazi Government is overthrown and the German people may join this concourse of free nations. But no matter how long or stern that struggle may be, the nations which have indicated at Geneva that they still believe in the principle of collective action should never lose sight of the fact that if there is to be peace, the victory over Nazi Germany is only a first step. The Freedom of Fin-

BLACKOUT

ONCE the nights were beautiful, here in the wide-flung city,
When softly the east arose to drain the wine of the west,
When rain-drops hung on the leaves like the jewelled tears of pity,
And little star-pierced mists fashioned a dream of rest.

Once there were lighted windows—but aeons have passed since then—
Once there were scented gardens, and hope in the hearts of men.
Now we walk in the darkness, shadows to shadows bound,

Shorn of our splendid vision as these streets are shorn of their light,
Mocking with hollow laughter that dies at each alien sound

The dusky, once-loved garments of this the traitor night,
Now from the blackened pit we look on the stage we knew
While far aloft in the wings red Death awaits his cue.

F. ROBINA MONKMAN.

land, Latvia, Lithuania, Estonia, must be assured, as well as the freedom of Poland and Czechoslovakia. And it is not too soon to recognize that justice and international decency, as well as the stability of Eastern Europe, demand that the thirty-five million people of the Ukraine be freed from the cruel yoke of Stalin and raised to full national sovereignty over that magnificent country which lies to the east of Rumania. They have no sympathy with Moscow and are entitled to their freedom.

There are other problems to be settled. No matter how soon this war may be over, there is bound to be a long period of readjustment. But the preservation of civilization demands that the adjustments this time be complete and that they shall be preserved by the mutual action of all free nations. Our first enemy is Germany, but even while we are fighting Germany with all our strength, we should keep in mind the "encroachment of that barbarous power," of which we were warned by Karl Marx himself. We can and must deal effectively with Russia as part of any settlement of this war if there is to be lasting peace.

Christmas in War Time

BY LADY TWEEDSMUIR

A CHILD'S year works up to Christmas. Birthdays are all very well, but they have no significance outside one's immediate family, but Christmas is shared by all, and no one can escape from it.

It provides a pleasant topic of conversation for children throughout the year:—not, alas! for grown-ups, who view the present-giving side of it with a slightly jaundiced eye. Poor things! they seldom get given anything they really want, and they are apt to conduct their own giving on a "cutlet-for-cutlet" basis. You hear them saying, "Cousin Jane gave me a silver-mounted paper-knife last year, so I must see if I can find something about the same value for her this year." So a feeling of weariness is engendered in the adult, who struggles in overheated shops at the eleventh hour bent on finding something good enough but not too good, so that next year the standard of present-giving may not rise to further heights.

CHILDREN have no such inhibitions and are not (I am afraid) free from the sin of boastfulness. If they receive a present of unexpected splendor they are apt to tell the world about it, and are not easily stopped from exhibiting it with sinful pride to their friends who have not been so fortunate.

But Christmas, happily, does not only mean present-giving even to the most rapacious child. The lovely and familiar hymns, the sense of shared worship and rejoicing, lift up their hearts. The story of the Christ Child and His mother in the stable among the friendly beasts strike a child's imagination with especial force, and comes to them new-minted every year when they hear the lesson read in church.

Then the side of Christmas which requires labor and forethought appeals to their sense of drama. It is so exciting to finish mother's pin-cushion or father's penwiper by stealth, and children should early be encouraged to make as many of their Christmas presents as possible, and to use all their naive artistry and skill, rather than buy dreary, mass-produced objects in shops.

THIS year I am sure that Canadian children should have their Christmas with (if possible) no detail omitted, a Christmas, so to

speak, with all the honors. One of the worst tragedies of war is the awful feeling of insecurity it gives. The most tactful and sensible of parents are unable to prevent a child hearing of the rumors, and alas! the horrors, of war. It is all round them in the atmosphere, and they cannot escape from it. They feel that nothing is safe, everything is rocking round them. At any moment their father, brother or schoolmaster may be taken by this monster whose fiery breath fans their cheek.

But the recurrence of Christmas will show them that there is still something in this ugly, shaking world which is both beautiful and stable—a festival of the church, spiritual and joyous, something warm and human and generous, a light which nothing can put out. And Canada is surely the land of Christmas! The hills covered with Christmas trees, with heavy snow-laden branches, and authentic reindeer in the North country (even if they are misnamed caribou), the lovely hush of the snowy landscape. Any readers of Hans Andersen will recognize it at once as a perfect Christmas setting, and perhaps some day a Canadian Hans Andersen will rise who will give us another Snow Queen in a Canadian winter scene.

MANY people are troubled about their attitude to Christmas this year. They feel that it will be very hard to sing "Peace on earth and goodwill to men" in December 1939. But this line in the hymn comes to us surely as a challenge! We must remember that peace has not always been peaceful, even in the most prosperous times, and our goodwill towards men has often been weak and faulty. We have not had that peace in our hearts and our homes, in our business relationships, that we might have had. We have not helped as many people to do better as we ought to have done, and we have been often too selfish and pleasure-loving to bother about other people's feelings.

We should vow inwardly now to do better, and to give the rest of our lives to trying to remove the causes of war, poverty, racial animosities and hatreds. We can at any rate this Christmas put our hopes for the future into our singing, and pray fervently that our children may live in an age in which peace and goodwill reign on earth.

FROM WEEK TO WEEK

What Sort of New League?

BY B. K. SANDWELL

THE formulation of war aims and peace plans during the actual progress of the war is unfortunately, like every other activity in wartime, governed by considerations of the effect which is likely to be produced upon the conflict itself. No government in the midst of a war can be expected to state freely and fully what it hopes to achieve as the result of victory, if any part of that announcement would have the effect of weakening its position in the struggle. It is even undesirable that private citizens should indulge too freely in expressions of opinion as to what should be the war aims of their government, if those expressions are likely to diminish the effectiveness for victory of the government's own pronouncements and reticences.

There is another difficulty. In war, as in peace, it is unwise to order more than one can pay for; and a warring nation seldom knows just how much its victory will pay for until it has the victory in its hand. This limitation is particularly applicable in the present stage of the present war, a stage at which nobody can prophesy with confidence who will be the enemies and who will be the allies by the time victory is achieved. Allies have a habit of wanting to have a say in the terms of peace no matter at what date they came into the conflict, and sometimes even when they have no intention of sticking around to see that the terms of peace are enforced. It is foolish, therefore, for Great Britain and France to proclaim a set of objectives which may not be approved of by possible later allies with their own ideas about what they are fighting for.

Lord Halifax on November 7 delivered a broadcast on the war aims of the British government. Those aims, as he expressed them, were very admirable but very general. The British, he said, were "fighting to maintain the rule of law and the quality of mercy in dealings between man and man, and in the great society of civilized states;" and he added that "the new world that we seek will enlist the co-operation of all peoples on the basis of human equality, self-respect, and mutual tolerance." The reference to the quality of mercy had been preceded by a reference to the denial by Germany of elementary human rights to men and women; so that it would seem that the British war aims envisage at least a sufficient amount of super-national authority to enforce a certain amount of humanity on nations in respect of their treatment of minorities and individuals. The reference to the rule of law obviously means international law governing the relations between states, and must certainly be interpreted as also looking to a super-national authority for the enforcement of treaties and of certain fundamental rights as between states.

The League of Nations was an attempt at such a super-national authority. The fact that it failed does not necessarily prove that no such attempt can succeed. What it does prove most clearly is that the governments which constituted it were not ready to accept, each for itself, that limitation of their own authority by a super-national authority which they collectively considered as necessary and desirable for everybody else. I have carefully said that it was the governments which were responsible for this refusal, because it was the governments which performed the action of refusing; we do not know whether the peoples governed by these governments were equally opposed to any limitation of the national sovereignty, though in the case of Canada I feel reasonably confident that the people if called upon would have taken practically the same position. But a great deal has happened since that position was taken by the Canadian government and other League governments, and it may be that the necessity of some limitation of national sovereignty could be more easily impressed upon the Canadian people now than in 1935. Whether a similar progress of thought has taken place in other important civilized nations is a question which will have a great deal to do with the actual formulation of peace terms at the close of the present war.

Powers of New "League"

But projects for the limitation of national sovereignty cannot get very far without a consideration of the extent of the limitation and the nature of the authority upon which the super-national powers are to be conferred. At the present stage in the world's history it appears to me highly important that the powers to be transferred to the super-national authority should be the smallest possible consistent with its efficient functioning, that they should be such as will call for the rarest possible exercise, and that the authority to which they are transferred shall be such as will enjoy the widest possible confidence. Talk of a federation of Europe on the lines of the existing federation of the United States of America seems to me to be extremely dangerous and misleading. The transfer of powers from the sovereign American States to the Federal Government was so extensive, so perpetual in its operation and so all-pervasive in its effects, that it transferred with it the whole concept of nationhood; the States ceased to be nations and the federation became one. Such a transfer is surely beyond the reach of hope or even desire in the case of Europe. There is a further difference, in that the United States federation was a union, not of the governments of States, but of the peoples themselves. It is these peoples, and not their State governments, which elect the national government. Such a union was possible in the case of states populated by people of reasonably similar racial origin, religious faith and political tradition; and being possible, it was enforced by the demonstrated

inability of the States to maintain themselves against economic difficulties and hostile powers by any lesser degree of union. It is impossible to conceive of the more advanced nations of Europe submitting themselves to an authority in which ultimate power would be to a large extent vested in the voters of populous but unprogressive Eastern European countries with low standards of living, no democratic traditions, and very inadequate educational facilities.

On the other hand, it does not seem necessary that any such extensive transfer of power to a super-national authority needs to be made in Europe. The powers of a European super-national government might well be limited at first to a very narrow field in which they would only very seldom be called into exercise. The most obvious field which presents itself, and that which could elicit objections only from the most extreme advocates of unlimited national sovereignty, is that of the enforcement of treaties entered into between nations. Treaties have been rendered almost meaningless in recent years by the growing practice of unilateral denunciation, with no other evil consequences to the denouncer than an increasing inability to assume that those with whom he himself makes treaties will bother to observe them. A super-national authority, with the right to call upon all its members to enforce, by economic and if necessary by military sanctions, the terms of all treaties placed in its safe-keeping, is perhaps the smallest step that can possibly be taken to extricate the world from its present chaos of absolute and irresponsible conflicting sovereignties. It undertakes no more than to enforce upon the sovereign nation a limitation of its sovereignty which it has already voluntarily accepted in exchange for some corresponding limitation by some other sovereignty.

In this connection it is, I think, necessary that we should get away from the illogical and sentimental distinction between voluntary and dictated treaties. The German government, for example, claims that Germany was not defeated in 1918, and at the same time claims that the Treaty of Versailles was imposed upon it by force and has therefore no validity. The Allies might just as reasonably maintain that they were deceived into relinquishing the right to occupy and dismember Germany by the affixing of the German signature in bad faith, and that if they had known that the Germans were going to repudiate it they would have imposed a great deal more in the way of immediate suffering upon Germany than they did. All attempts to discriminate between treaties which are to be regarded as binding and those which are not are simply attacks upon the whole code of international honor and decency, and need to be resisted by the entire force of the civilized world.

Treatment of Minorities

A second, and much more delicate, field of operation of the super-national authority is that which was hinted at in Lord Halifax's broadcast reference to "the denial to men and women of elementary human rights." The practice of breaking treaties is not widespread among the more respectable nations, although some of them, like Canada in regard to the rules of the International Labor Office of the League of Nations, occasionally avoid compliance with them by pleading lack of the necessary political machinery. But it is by no means so sure that all the English-speaking nations are beyond criticism in the application of what Lord Halifax refers to as "the quality of mercy in dealings between man and man." The indisposition of Germany to submit to the collective judgment of the world in regard to its behavior towards the Jews is probably no greater than that of the United States in regard to negroes and South Africa in regard to native races, and Canada is more secure only because of the lack of any large minorities with definitely lower standards of living. Nevertheless, the provision of super-national safeguards for minorities is an indispensable part of any effort towards a more peaceful international structure, and nations which will not admit the right of a properly constituted super-national authority to interest itself in their behavior towards the more helpless elements in their population are admitting that that behavior may not be such as to commend itself to civilized and impartial opinion.

The third, and a still more difficult, field of operations which must be opened to at least an occasional intervention by the super-national authority is the field of the economic relations between member States in matters of trade and commerce, and here, where vested property interests are violently concerned, we come up against the surest prospect of resistance. The exercise of some restraints upon the tendencies of nations to obstruct the natural flow of trade is one of the most important tasks to be undertaken by any such authority as that which we have in mind. How this restraint is to be exercised is an extremely difficult problem; it may be that at first it could be limited to a sort of mediatorship and referee-ship between exporting and importing nations in which some kind of international economic pressure, rather than the direct application of authority in the shape of a super-national command, could be relied upon to produce the requisite effects. If nations which sought to preserve unduly restrictive tariffs or import regulations found themselves faced with a combination of other nations prepared to engage in concerted retaliation, they might become much more amenable to reason. It is desirable to avoid even the appearance of a resort to the direct exercise of the powers of command of the super-national authority.

LAST SACRAMENTS

(Translated from the French of Englebert Gallée, French-Canadian poet. The poem is included in the volume "Les Chemins de l'âme.")

TING-TANG, ting-tang, ting-tang!
On the dusty road
With thistle and sainfoin edged, with purple clover,
Like the faintest sign of a mournful soul,
The echoes follow forlorn, over and over . . .
Ting-tang, ting-tang, ting-tang!
Ting-ting, tang-tang, ting-ting!
On each field-grown flower,
Over each road-way stone and pebble—
Deep in the rye where the Wee Folk dwell,—
Listening all to the tinkling treble—
Ting-tang, ting-ting, ting-ting!
Ting-ting, tang-ting, ting-ting! Peasants calm-eyed,
Run from your cabin, serene, and listen gravely,
Hark to the ceaseless sound of the tiny bell:—
"God passes by! Bow heads, and harken bravely!"
With Pierre, small acolyte,
The Curé of Berdochette
Bears the last sacraments
To good Mother Olivette.

You know the little old dame
With her tiny steps in haste,
Quick and lively as a bee;
Sixty years, and none to waste!

On Sundays in the front pew,
Close to the choir she kneels,
Her white head shakes as she prays,
Such fervor the dear soul feels.

She seemed so well—they recall—
Only a month ago,
At Joel Laplante's—Jean Pierre
Was marrying then, you know.

Good folk, with no envious thought,
Spite of the toils of each day,
Cherishing life as you do—
Pray for the dying, pray!

Ting-tang, ting-tang, ting-ting! . . . On the dusty road
With thistle and vetches edged, with purple clover,
Like the faintest sign of a mournful soul,
The echoes follow forlorn, over and over . . .
Ting-tang, ting-ting, ting-ting!

FLORENCE RANDAL LIVESAY.



HER MAJESTY THE QUEEN. A photograph taken in the conservatory at Spencerwood, residence of the Lieutenant-Governor of Quebec during the Royal visit to that Province.—Photo by Karsh, Ottawa.

THE FRONT PAGE

(Continued from Page One)

and integrity of our public life. He has been tolerated too long by his victims, as an unavoidable evil, and we hope that the example of Col. Drew and the Edmonton *Journal* will encourage other victims to seek to protect themselves, and other editors to recognize that an admission of error is not a discreditable thing.

The odd part of the business is that the views, and in some part even the expressions, which were ascribed to Col. Drew in the *Journal* report of his Edmonton speech were actually uttered by him five years ago, in a professional conference on defence held during the régime of the Right Hon. R. B. Bennett. They had nothing whatever to do with the current management of the Canadian navy either at that time or at the present, being entirely concerned with the question of the functions which that navy should be designed to serve, functions which in Col. Drew's opinion are radically different from those for which the existing navy actually was designed. The weight of professional defence opinion at that time, we believe, was strongly on the side of Col. Drew's conception; it probably still is. It was this conference which started the movement towards the reconstruction of the militia, which has since been productive of such far-reaching and on the whole profitable results; it is significant of the much greater difficulty of changing the character of a defence branch with a huge investment of capital, like the navy, that no radical alteration in our maritime defences has been even seriously considered.

Dissatisfied Majesty

THE Toronto *Telegram* announced inadvertently the other day that somebody with a foreign name had been convicted and sentenced to three months, with another three months if he failed to pay a large fine, for uttering statements "calculated to cause dissatisfaction to His Majesty." We are inclined to think that the word actually used in the charge was "disaffection;" but the *Telegram's* language appears to us to be altogether too correctly descriptive of quite a number of prosecutions for offences of this kind under the War Measures Act—reading "His Majesty," of course, in the sense of His Majesty's advisers in one or other of his numerous Canadian governments. It is not yet a crime, even under the War Measures Act, to cause dissatisfaction to His Majesty's advisers; it is indeed essential to the continuance of democratic government that it should at all times be permissible to cause dissatisfaction to them. It is only in countries like Germany and Russia that anything with which the rulers are dissatisfied automatically becomes a crime.

It is for this reason particularly, although also for many others, that we trust that public opinion will not permit any of these cases to be tried without the safeguards of due publicity. In time of war it is not impossible for the Crown to find magistrates who, especially if they feel themselves protected from all public criticism, can easily be induced to regard as a crime anything that the government happens to disapprove of. By and large we have the highest confidence in the fair-mindedness and liberality of

the Canadian courts; but in individual cases, especially of such a type as are likely not to be taken to appeal, we feel that these qualities are much more likely to be displayed if there is a reasonable amount of publicity about the proceedings and the decisions.

Excitable prosecuting authorities who find that they have "gone off at half-cock" in bringing a case under the War Measures Act are exceedingly likely to do all that they can to get it disposed of quietly. If the charge is one of seditious utterance, they are likely to represent that the publication of the incriminated language will merely multiply the harm that was done by its original utterance. There is very little justification for this theory, and the suppression of the charge leaves the public with no means of judging of the rights and wrongs of the prosecution. The daily press has the gravest responsibility in this matter, and we earnestly hope that it will be true to its tradition and will defend with all its energy the right of its readers to know all about what goes on in the criminal courts, and especially about all cases in which so difficult and delicate a question as that of seditious utterance is involved.

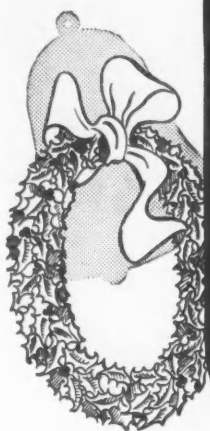
Civil Marriages

IT IS slightly astounding to find the law against civil marriages in Ontario being attacked with great vigor by numerous religious bodies and defended by so entirely secular an authority as the Provincial Secretary himself. When the ordained clergy are willing and even anxious to surrender a monopoly which they have enjoyed, however illogically, for generations, and when nobody seems to want them to retain it except the Provincial Secretary, and he only on the most preposterous grounds, the prospects for the achievement of this most desirable reform, of the legalizing of civil marriage, would seem to be much better than we had ventured to hope.

Various organizations of clergymen having expressed themselves in favor of the legalizing of civil marriages, on the ground that it is not conducive to respect for religion to compel persons of no religious faith to undergo a religious ceremony, Mr. Nixon has come back with the reply that it is un-Christian of the clergy to seek the right to refuse Christian marriage to communists merely because they are communists; and he has added that he has known a number of communists who were perfectly good Christians. Since nobody has ever suggested that anybody in Ontario who desires a Christian marriage should be denied the right to obtain it, the purport of all this argumentation is not clear. What the clergymen object to, and very reasonably as it seems to us, is that persons who do not want Christian marriage should be compelled to have it, owing to the fact that nobody except ministers of religion is legally qualified to perform the ceremony. This situation, which is almost unique on the continent of North America, is hardly likely to last much longer, and will certainly not obtain any extension of time as a result of the arguments of its defenders. The real obstacle to the reform is of course the inertia which overcomes nearly all politicians, even those who call themselves Progressive with a capital P, after they have been comfortably in power for a few years.

Christmas Greetings

Christmas greetings to all friends of the bank, and best wishes for a prosperous and a happy New Year.



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THE HITLER WAR

Around the Corner

BY WILLSON WOODSIDE

AS THE end of the year approaches there is a natural desire to take stock of the war. In general it has not been easy to pin this peculiar war down to a pattern and take its measure. But every now and then something occurs which gives a revealing comparison with the last war. Such a happening was the cornering of the German raider *Graf Spee* at Montevideo last week. Twenty-five years ago almost to a day British warships were moving southward through these very waters to meet another *Graf Spee*. Only he was the commander of a whole squadron of fast modern cruisers which had ranged the Pacific for months, had five British fleets looking for him, and had just destroyed one of these off Coronel.

Other striking comparisons between the scale of this war and the last one may be drawn. On land, in place of taking on Russia in the East and overwhelming her at Tannenberg, the Germans have merely subjugated the Poles. In the West, where last time they carried out the greatest military maneuver in history, the Schlieffen swing through Belgium and right up to the gates of Paris, this time the Germans have flunked even a drive through Holland. The lessons of Verdun and the Ludendorff offensives of Spring 1918 inhibit the German military, if not the Nazi wild men, from considering an assault on the Maginot Line. Hitler's one plan, for a Blitzkrieg against Poland, carried out—with all the precision of which Germans are capable when nothing happens to disturb their painstakingly detailed plans—the initiative on land has passed from his hands for the time being. The Maginot fortifications and their strong flanks in Belgium and Switzerland and the lack of surprise hold him stationary in the West, while his pact with Stalin leaves him very little leeway in the East.

Everyone has expected him to take

to the air, and has awaited the much-advertised, long-dreaded bombing raids on Paris and London, the British naval bases and the great dockyards, for which Barcelona and Warsaw were supposed to have been the practice. It is the amazing fact that after almost four months of war these raids have not yet taken place, except for a few attempts with a handful of planes against Rosyth and Scapa Flow. The Nazis were warned by the bold British flights over Germany at the very outset of the war, carried out with impunity, of the certain reprisals which would be visited on their own home front, the spot which they have come to believe through their own propaganda is their weakest. (Germany, they say, was never defeated in the field in the last war, but lost because British propaganda and the hunger-blockade weakened the morale of the home front, so that disaffected workmen "stabbed the army in the back.") Besides they found that they had given Britain and France a year too long to prepare. Their superiority in the air and the helplessness of the British and French against bombing raids, which had been decisive at Munich, had disappeared and in small contests the Allied planes even showed an edge on theirs.

A Hit-and-Run War

The Germans turned their attention to pushing the war on and under the water, against Britain. It is only when one considers that for months the whole energy of Greater Germany has been concentrated on this that one can properly perceive how different are the resources of this Germany and that of 1914. Admittedly Hitler's Germany is the more ferocious and terrifying. But taking its resources, military, psychological, material and financial together, it is doubtful whether they would amount to even



BRIGADIER-GENERAL A. G. L. McNAUGHTON, C.B., C.M.G., D.S.O., former chairman of the National Research Council, who commands the First Canadian Division, now safely landed somewhere in Great Britain.

—Photo by "Kash".

half of those of Wilhelm's fat, prosperous, contented and confident Germany of 1914. (I don't say that British or French resources are equal to 1914 either). By comparison with the vast and bold land campaigns of Imperial Germany and the magnificent fight of her 22 dreadnoughts at Jutland, Nazi Germany's war shows in its true light as a hit-and-run affair, hardly better than a large-scale gang war.

The U-boat campaign, in spite of years of preparation, the rich legacy of experience from the last war, and the commencement of unrestricted warfare by the sinking of a second *Lusitania* on the very first day, has attained only one-fifth of the intensity of the Spring of 1917. The British, who did not have the convoy system, the depth charge or good mine barges until 1917, have started their anti-submarine warfare where they left off at the Armistice, or a few steps ahead, and may be said to have the undersea prowlers already under effective control. Sinkings continue, accompanied by a tragic loss of life, and must be expected to go on until the end, but they are entirely within Britain's capacity of replacement, whereas it may be doubted whether the rate of destruction of the U-boats is within Germany's. Running around a dozen a month, the bag of U-boats is nearly double what it was in 1918, when the record shows that the British "killed" 81 while the Germans succeeded in building just exactly the same number. Aeroplane patrols account for most of this difference.

By contrast, the Germans have done much better with the mine weapon than in the last war. In 1916 an average of two British ships a week foundered on mines; in 1917 around three a week. Altogether loss by mining was only one-tenth of that by torpedoing. So far in this war 67 ships of all nationalities have been mined (18 in one week) against 79 torpedoed; and if this seems appalling it may be useful to recall that in the month of April, 1917, 423 ships were sent to the bottom, during that entire year an average of 228 a month, and the entire last war an average of 115. Well over half of these were British, and still she came through. The new magnetic mine menace will not defeat her. Already the Royal Air Force is carrying a vigorous counter-offensive right to the lair of the mine-laying subs and planes, and sweeping and increased caution have sharply cut the losses. If this be Hitler's "secret weapon," well and good that it is out where we can look at it, combat it, and eventually control it.

Raiders Not So Good

Finally, there are the raiders. Placed from the first in the dilemma that if they showed great activity the trail of their destruction, the "pocket battleships" have done extraordinarily little. Or at least the *Deutschland* has, sinking only one freighter in the Atlantic and the armed auxiliary *Roonpindi* off Iceland, and putting a prize crew aboard the *City of Flint*. We heard even less of the *Graf Spee* until last week, but that may have been only because the Admiralty was holding back the news in order to further her capture. It seems that she sank some eight or nine ships in her career in the South Atlantic and around the Cape. But even so, this is a poor showing for such an expensive, powerful ship compared to the fifteen bagged by the little 3500-ton, 4-inch-gun *Enden* in the Bay of Bengal in 1914. Patently designed as commerce-raiders and long a worry to the British Navy, it can hardly be argued that these "pocket battleships," faster, more heavily armored and more powerfully gunned out of all comparison with the *Enden* and the *Koenigsberg*, or even the *Scharn-*

horst and the *Gueisenaue* (the backbone of von Spee's squadron, which met their end in December 1914 at the Falkland Islands), have been a great success.

The elation with which Britain has hailed the finishing off of the *Spee* is not all to be laid to the elimination of a dangerous raider from the high seas. There was satisfaction too in the way it was done. The three British light cruisers went after the highly-touted and far stronger German like terriers after a tough-skinned, long-toothed mastiff. The 6-inch guns of the *Ajax* and *Achilles* could only throw a 100-pound shell and the 8-inch guns of the *Exeter* a 250-pound shell, against the 670-pound projectiles of the "pocket battleship," and the British ships carried far less protection. But such calculations, which would reduce the valuation of a navy to so many tons of broadside metal and which are foreign to the ancient tradition of the British Navy, did not rule that day and one may hope lie buried with the over-cautious spirit that cost a great victory at Jutland.

The Scuttling Habit

With the inglorious end of the *Graf Spee* the hunt for the *Deutschland*, though impeded by the 20 hours a day of darkness around Iceland, will be pressed all the more hotly and she

CHRISTMAS, 1939

WITH God in His heaven
And hell on earth
We herald the gentle
Saviour's birth.

The tanks labor onward,
The bombers soar;
We welcome the Prince of
Peace once more.

With hate in abeyance
We strain our throats
To echo the angels'
Joyful notes.

"Give peace in our time, Lord,"
We pause to pray
While loading the cannon
Christmas Day.

VERNA LOVEDAY HARDEN

will have to be called in—or will she be scuttled too? This scuttling habit is profoundly disturbing. It is the attitude, "If we can't win, at any rate we won't leave anything behind." Already Hitler, pinned in, has scuttled Germany's Baltic interests, and the old German settlements of the Balts and the Tyrolese. Is he ready to scuttle Germany too, if he sees he can't win, and as much of Western civilization as he can bring down with her?

When the *Deutschland* is in—if she can get in—Germany will have virtually given up the initiative on the high seas too, unless Hitler should decide to throw away her three 10,000-ton cruisers, two 26,000-ton battlecruisers, and the two new 35,000-ton battleships which will be ready next year, as raiders too, and give up even control of the Baltic. Surveying the theatre of war at the end of this first year of the second Great Germanic War, could not Winston Churchill repeat what he wrote at the end of 1914: "Here ends the first phase of the naval war... The first part of the British task is done both by land and sea. Paris and the Channel ports are saved, and the oceans are cleared... There is no chance of France being struck down, before the British Empire is ready; there is no chance of the British Empire itself being paralyzed, before its full force can be applied to the struggle. The supreme initiative passes from the Teutonic Powers to the Allies."

We are already around a bad corner in this war.

Remember

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HERE'S A GRAND LAST MINUTE GIFT SUGGESTION. Canada Dry in gay holiday cartons (containing four family size bottles or six 12 oz. bottles) makes a welcome yet inexpensive gift for young and old.



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Good for you, good for your guests, good for

the children, pure, wholesome Canada Dry will truly be the life of the party. Especially at the festive Christmas Dinner, Canada Dry adds a touch of gaiety and distinction.

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AIDS DIGESTION... RESTORES SPENT ENERGY... IT'S GINGERVATING

DEAR MR. EDITOR

The Quebec Elections

Editor, SATURDAY NIGHT:

THE importance of the issues involved alone leads me to offer some criticism of your laudatory Front Page reference to Professor F. R. Scott's recent article in the *Canadian Forum*.

Far from giving a correct picture of the inferences which may be drawn from the results of the recent provincial election in Quebec, Professor Scott's statements seem to me to present an entirely biased and unfair view.

I can pin this charge down directly by pointing out that, in a labored attempt to prove that the attitude of the French-Canadian people in the present war is not as favorable to participation as that which existed in 1914, Professor Scott goes so far as to suggest that the Church to which the great majority of our French-Canadian citizens belong has not taken as definite a position in support of participation in this war as was the case 25 years ago. Since Professor Scott chooses to offer the opinions of the Church—as he interprets them, I may—although I regret the tendency of non-Roman Catholics, like Professor Scott and myself, to comment on the internal affairs of a communion to which we do not belong—present the fact that His Eminence the Cardinal Archbishop of Quebec, in a recent speech at Washington, D.C., is quoted in the press as having said specifically that the vote of Quebec is to be interpreted as one in favor of Canadian national unity.

IT WAS my privilege to live in the Province of Quebec throughout the War of 1914 to 1918, and to watch, from a very favored standpoint, the development of the anti-war sentiment which became general here among many of our French-speaking citizens towards the close of the struggle. I can testify, from personal knowledge, that, as Professor Scott points out, the French-speaking Canadians accepted the necessity of Canadian participation in the war with equanimity, and, in the case of a great many of them, with ardent expressions of loyalty to the British Crown. They were met with an attitude, on the part of the military authorities of the Dominion, which can only be described as insolent. It was made quite clear that no concession was to be made to the fact that, to a large percentage of the people of our province, the French language is the only possible vehicle of instruction. No attempt was made in the early days of the war to recruit definitely French-Canadian units. No publicity was given to the fact that thousands of French-Canadians enlisted in the Canadian Expeditionary Force. When a special recruiting effort in this province became necessary, the officer placed in charge of this was an English-speaking minister of a Protestant denomination. Finally, in response to a wave of ignorant denunciation of the French-Canadian race, conscription was adopted in an election marked by all the bitterness which could be roused on the side of the conscriptionists; the law providing for this was then set at naught with the open knowledge of the authorities at Ottawa; it became generally known that political influence and even bribery could be used to obtain exemption; and, in the end, when public opinion in the rest of the country became even more heated, the conscription law was enforced with an indiscriminate brutality, which left an almost indelible mark on the minds of the rural population in particular.

At all times, the appeal to the French-Canadian was to fight for Britain, or for France.

ALL of this clumsy handling of a delicate situation was applied to a population at that time comparatively indifferent to world affairs, and, with the exception of a small number of intellectuals, uninformed as to the issues at stake. In contrast, the present war was no surprise to the French-Canadian people. The increased interest in international affairs—specially stimulated by

the general use of the radio—had made them far more familiar with the situation in Europe. The issue was definitely known to be one, not between rival imperialisms, but between oppression and liberty. A discussion of the international situation had long been conducted in Canada with very definite relation to the place which Canada, as a nation, must play in the struggle. When war broke out, the question of Canadian participation was explicitly discussed, not on a basis of our duty to the British Empire, nor of the racial connection between a group of Canadians and a foreign country, but as a case in which the people of a free nation had a free choice. From the moment that our participation in the war became obviously inevitable, the references to French Canada in the press of the rest of the country, and in general discussion among the English-speaking Canadians in Quebec, were at all times friendly and optimistic. There was a general appreciation expressed of the special conditions which would affect French-Canadian opinion. Every effort was made to see that those French-Canadians who wished to serve in the armed forces were given an opportunity to do so in circumstances which would prevent any friction. From the first it was understood that special French-Canadian units would be enlisted, and the striking fact that the first infantry unit in Canada to recruit an active service battalion to strength was the Regiment de Maisonneuve was given marked attention in the press of all Canada.

As a result, the French-speaking people of Canada have not, at any time, shown anything but a truly Canadian attitude. They have shown every intention of doing their full share in a war in which their country is engaged as a nation.

THAT some of them—a considerable percentage, if Professor Scott desires to stress this fact—are dubious of the wisdom of Canadian participation on a large scale is not to be denied. It could scarcely be otherwise. Some of our more vociferous English-Canadian nationalists have been very much of this opinion. For years before the outbreak of the present war many of the younger professors in our universities were notable for utterances, which could only be interpreted as protesting against any idea of Canadian participation on the side of Britain and France in war. At least one of our younger English-speaking Senators also took this stand. In fairness, it is to be admitted that many of these individuals have at least ceased their propaganda, and some of them have openly recanted. Only recently, seventy-five ministers of the United Church passed a resolution against Canadian participation in the war. It is not surprising that there is an element among the French-Canadians who hold similar opinions. However, to the knowledge of all who are in daily contact with them, the French-Canadian people have shown a unanimity in their desire to maintain a united national policy which is very striking.

Professor Scott goes to great mathematical trouble to prove that the popular vote in the late election was not overwhelmingly for the war. He even includes, among those who must be regarded as not necessarily for the war, the numbers of the voters for candidates in Montreal and its suburbs who took their stand on a platform of straight conservatism—objecting to the election of Liberal members at Quebec, on the ground that they were not sufficiently imperialist.

PROFESSOR SCOTT is quite right in saying that not every vote cast against the Duplessis Government was so cast as a result of consideration of the war issue. I can assure him that not every vote for the Duplessis Government was cast against participation in the war. It was totally impossible to convince the electors of Sherbrooke that Lt.-Col. the Hon. J. S. Bourque—a distinguished French-Canadian soldier—was against participation in the war.

merely because he supported the Duplessis Government, or the electors of Brome that the Hon. Jonathan Robinson—an English-speaking Canadian of a well-known Loyalist family—wished Canada to withdraw from the Empire. I quote these cases to indicate the fallacy of Professor Scott's approach to the question.

In the last analysis, I am driven to the conclusion that all that Professor Scott is attempting to do is to justify his own stand in his book "Canada Today." In that volume, he argued that Canadian unity would not stand the shock of a declaration of war. It has done so, and the Quebec election was the outstanding demonstration of his error of judgment. For my part I find it extremely regrettable that, in order to justify an erroneous position, Professor Scott should now undertake to carry on and accentuate his campaign of incorrect statements as to the French-Canadian attitude.

Montreal, Que.

ANTONIUS.

Abolish Germany

Editor, SATURDAY NIGHT:

I WOULD like to take issue with you in reference to your criticism of Mr. George McCullagh's speech on the radio in which he said, "But for the second time in 25 years we are preparing to send the flower of Canadian youth to fight the same people with their new leader. This task must be completed."

I am a member of what Mr. McCullagh refers to as "the flower of Canadian youth," at present in training with the militia, and thus in line to go overseas whenever Ottawa can achieve some organization in the Canadian Army. It should be of some interest to know what we think is the ideal for which we are ready to fight and die. From conversations with my contemporaries I judge that our object is to complete an unfinished task left us by our elders. Our battle cry is "Carthago delenda est," and we shall not lay down the sword until Germany is reduced to ruins, not a stone left upon a stone and salt ploughed into the soil to ensure that never again in our time, in our children's time or ever will we wake to hear that dread cry.

"Stand up and take the war," "The Hun is at the gate!" I was born in 1909 and my formative years were spent in that idealistic period following the War of 1914-18 when we were all pacifists, disarmament was the rage and even school cadet corps were looked upon as a horrid manifestation of militarism. But, thank God, my mind was not fossilized and I came to see the error of being idealistic in a materialistic world.

The only thing for which I admire the German people is their dogged determination to get what they want—"World Power," by fair means or foul, to keep this goal always in their minds and year in, year out, through prosperity or adversity, through successes or reverses, to subordinate everything else to this single-minded purpose with a zeal and a devotion worthy of a better cause.

Do you suppose that Belgium today sees any difference between the Imperial German Government which discarded one of its solemn treaties as "A Scrap of Paper" and the present Hitler regime with its record of broken promises and the horrible travesty of the Munich Pact?

As they said in the Armistice Ceremony in Ottawa, "Around the world rolls the age-old cry, 'Who's for liberty?'" and little did I dream in my youth that I, an ardent Liberal, would live to find myself chafing with the youth of Canada Rt. Hon. Arthur Meighen's famous Hamilton words, "Ready, aye ready."

It is all right for you members of a past generation to sit back in your chairs in Canada and try and justify yourselves for not having taken a firm stand against the rising danger of German re-armament, but it is the youth of to-day who pay the price of your folly. We have taken up your quarrel with the foe and we shall not rest until the threat of German aggression is gone from the earth, which will be when Germany has ceased to exist as a nation and Hun, Prussian and Boche will be only words to frighten children.

JOHN S. CORRETT.

Montreal.

Continuing Pacifist

Editor, SATURDAY NIGHT:

MAY I offer hearty if belated congratulations on your excellent paragraph, "The Continuing Pacifists," in the October 28 issue? I have seen only two references in the press to our Witness Against War which succeeded in glimpsing what was involved in that incident. We naive persons stood by the pronouncement of the highest court of our church when our more prudent church officials scuttled for cover. Entirely correct! Being like all very serious persons, humorists, we appreciate your phrase.

We note that you have done your duty by previously exhorting to mend their ways both the United Church and other communions addicted to the adolescent habit of applying raw religion to raw life. You have earned the satisfaction of saying, "I told you so!"

It may not have occurred to you that those who penned the declaration you quote, and the majority of the General Council which voted it

into expression, may actually have had just that "intensity of conviction" which you postulate, even though the rank and file of the church may never have been awake to the issue. May not that be the simple explanation of the fact that 130 persons felt it quite natural that they should put themselves on record to that effect when war came?

We fear it will be difficult for the church, however it may wish judiciously to modify its uncomfortable position, to go back upon its conviction of the essential iniquity of war as such. For, you see, that is no recent flurry of pious hysteria, but the outcome of a steady growth of religious judgment through the years. Furthermore, the United Church was only endorsing the statement of the World Conference of Christian Churches at Oxford in 1937. You may have grounds for thinking the United Church at times a frivolous body; but we question if you could really bring yourself to believe that the Oxford Conference talked through its clerical hat. We suspect that its declaration will afford a historic landmark from which all further Christian movements must take their bearings. Would you care to see what it said? Here it is—with apologies for the painful ecclesiastical verbiage. The Report, for whatever reason, printed this paragraph in italics.

"Wars, the occasions of war, and all situations which conceal the fact of conflict under the guise of outward peace, are marks of a world to which the Church is charged to proclaim the gospel of redemption. War involves compulsory enmity, diabolical outrage against human personality, and a wanton distortion of the truth. War is a particular demonstration of the power of sin in this world and a defiance of the righteousness of God as revealed in Jesus Christ and him crucified. No justification of war must be allowed to conceal or minimize this fact."

A person of your known perspicacity cannot fail to see that it will require a vigorous effort, assisted, perhaps, by some powerful ex-

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hortation, to enable the United Church to repudiate that. Yet, if it does not, what becomes of the Sub-Executive's condemnation of our simple-minded credence of the last General Council's honesty?

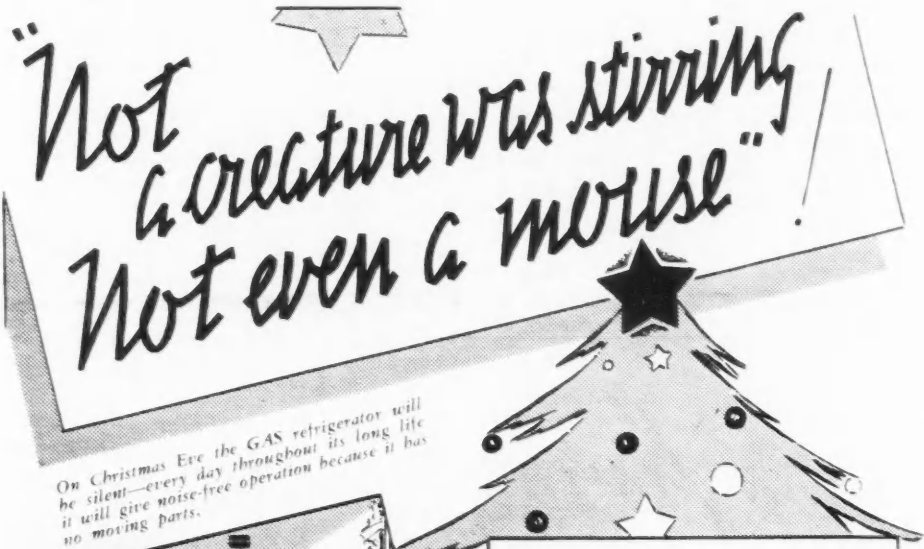
Did this also occur to you, Sir, that if it turns out that war is the sound answer to war, so that an efficient Satan can in fact be cast out by a more efficient Satan, and the military way prove to be indeed the path to a decent world—that will be the final demonstration that the mind and teaching of Jesus were pious futilities, once respected but no longer authoritative for our modern

world? In a word, if this war succeeds in doing what so many sincerely hope it will accomplish, that must be the end of Christianity for all plain-thinking people.

We are betting that Jesus was sane, and that war is imbecile. With the record of war before us, including the last unhappy example, we would judge that the odds are more than slightly in favor of Jesus.

That is why, in more than mere convention, we can offer you the Season's Greetings.

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LONDON LETTER

War Time Parliament Continues

BY P.O'D.

Dec. 4th, 1939.

LAST Tuesday the King opened the new session of Parliament — its fifth. In the ordinary way, there would probably have been, not a new session, but a new Parliament. Although the present Parliament has still a year to run, according to the statutory limit, there is very little doubt that we would have had a General Election this autumn.

Governments don't usually consider it good business to wait until they legally expire. They prefer dying when the dying is good. But Herr Hitler, of course, has changed all that. Parliament, like so much else, is in "for the duration."

All we can hope is that this Parliament won't have to go on as long as the one that sat through the Kaiser's War. That one lasted for eight years—from Dec. 1910 to Dec. 1918. This Parliament also was four years old when the war started, but it is to be hoped that Hitler won't put a similar strain on our electoral institutions. He has repeatedly told the world of his plans for a "lightning war." Well, we trust the boy is right — only we have different ideas as to just where the lightning should strike.

Last week's Opening was shorn of a great deal of its traditional pageantry, but I don't know that it was any less moving and impressive for that. The sight of all those Members of both Houses in military and naval uniforms was a solemn reminder of the great issues that are being decided. Nor was ancient custom entirely brushed aside. The Beefeaters, all red and gold and as Tudor as Henry the Eighth himself, marched majestically through the cellars of Parliament to see that no modern Guy Fawkes was lurking there with his kegs of gunpowder to blow the place up. It was absurd, and it was magnificent. What a country!

The Harassed Censor

Heads of the poor harassed Ministry of Information seem still to be struggling with the news in much the same way that Laocoon and his sons struggled with the serpents—and with much the same notion of strangling it if possible. Nobody loves them. They are cursed by the various De-

partments for what they do give out, and cursed even more hotly by the public and the Press for what they don't. It's a hard life.

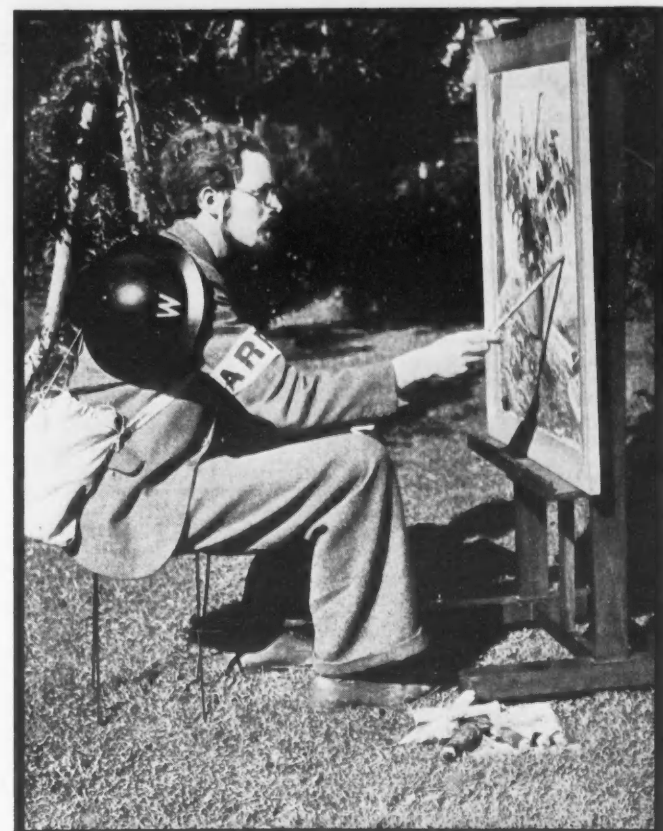
The sadly muddled story of the cruiser Belfast brought all the trouble to a head again—for the umpteenth time! You may remember, the Belfast hit a mine or was hit by a torpedo in the Firth of Forth, and was seriously damaged. Fleet Street knew all about it the same evening, but not a word was said. The scribes were warned to be good, and they were good.

"Information useful to the enemy," said the Censor. So Fleet Street dutifully sat on the story, only to find out next morning that it had appeared in full detail in a New York paper. Apparently some bright American correspondent had telephoned the story to a pal in Northern Ireland, who had only to go across the Free State border to wire the thing in complete security to New York.

Now Sir Walter Monckton, the head of the Press and Censorship Bureau, is said to have handed in his resignation—though it probably will not be accepted. If he goes, however, rumor states that Walter Fish, the former editor of The Daily Mail, and one of the best-known journalists in Fleet Street, who has been acting as adviser to the Chief Censor—an admiral, as you might perhaps expect—will go, too.

Monckton's grievance, it seems, is that he lacks authority to override the objections of the various Ministries concerned in the news, and so is unable to speed up the general process of publication. This has led to serious friction between the Bureau and the Press, and made his work extremely difficult. The official attitude seems to be, never publish today what you can publish tomorrow, because then you may not have to publish it at all—which is much, much nicer.

Fish's grievance is much the same—or a little worse, because he is a first-class newspaperman. He thoroughly understands the importance of every minute saved in getting the stuff out, and he has made it his special job to see that the stuff does get out. That is why his appointment was so warmly welcomed in Fleet Street. But the officials have got



ART IS INDOMITABLE even in the face of war conditions. Here Royal Academician Fran Sutton puts the finishing touches to a picture. He works completely equipped in the odd moments which he can spare from his duties as the Air Raid Warden.

him down, too. Whitehall just won't be hustled—not by nobody!

Communists Still Vocal

Seeing that the censorship is so very strict in some directions—frequently the direction of perfectly legitimate news—it is extremely odd that it should apparently be so lax in others. Towards the expression of opinion, for instance. Oh, yes, I know this is a free country and all that, where a man can express his mind without fear or favor. And a grand thing it is, too! But there are opinions and opinions. Take as an example this lovely thought from the leading article in the latest edition of The Daily Worker, the official organ of the British Communist Party:

"The war which Chamberlain has been engineering in Northern Europe through the Finnish puppet Government has opened. The Red army and navy are in action. The hopes of all workers and Socialists in all countries are united with the Red Army."

It may be that that sort of thing does very little harm—probably none at all in this country, where dirty little boys that sling mud are regarded merely as dirty little boys slinging mud. But do they know in neutral countries that The Daily Worker is just a dirty little boy? And does not that particular gob of mud fit very nicely into Dr. Goebbels' large and scientific campaign of mud-slinging?

As a matter of fact, it does—perfectly. We shall probably see that particular quotation plastered all over the German Press, and hear it roared out from the German wireless, as the opinion of "a leading British journal."

They make quite a good job of such things in the Wilhelmstrasse.

Oh well, let the enemy draw from it what comfort he can! Better that The Daily Worker should be allowed to spit bile, than that there should be the slightest endeavor to muzzle the Press—even the Press that lives in the gutter. But foreigners must sometimes be greatly puzzled. Some English people, too.

Sad to reflect that, while papers

like The Daily Worker flourish—if their continued existence can be so described—a magazine with a really great tradition like The Cornhill should be forced under by the bitter exigencies of the time. Its publishers announce that its latest issue is to be the last. In happier days, perhaps, it will be revived. But that, I fear, is an illusive hope. Magazines that die are apt to stay dead.

War Hastened End

It may be that, in any case, The Cornhill would gradually have faded out, but the coming of the war undoubtedly hastened its end. Publications like people have a way of outliving their period and their usefulness. They cling on for a while, with greater and greater difficulty, and then suddenly drop out of existence. But the end, however inevitable, is none the less a cause for regret. A long and brilliant career comes to a close with the last Cornhill.

Eighty years ago The Cornhill was founded, with Thackeray as its first editor. What a list of contributors it could boast of in its great days! Besides Thackeray, there were Tennyson, Trollope, Browning, Matthew Arnold, Meredith, and Hardy. To get into The Cornhill became the ambition of almost every writer of the time. It held a position unequalled then or since—possibly never to be equalled again. The day of that particular sort of magazine seems to be over. Its influence, at any rate, is not likely ever again to be what it was.

Great traditions are an immense asset to a magazine, but they are also a great handicap. They hamper enterprise, and make change difficult. Perhaps the traditions of The Cornhill were too much for it. In spite of the excellence of its editing under Lord Gorell—himself a poet and novelist as well as an editor—it came to look rather like a Victorian survival. And that finally was fatal—with the war giving the "coup de grace." But what magnificent traditions it had, and what a monument The Cornhill was to the Victorian Age it so well represented!



AN ENGLISHMAN HAS VISITORS. This is a typical scene in wartime England today where gas masks are just as important personal equipment as hats, gloves or umbrellas.

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SATURDAY NIGHT, TORONTO, CANADA, DECEMBER 23, 1939

P. M. Richards,
Financial Editor

The Nazi War Against Private Enterprise

BY R. M. COPER

In Naziland private enterprise is not free to use its profits as it likes. It cannot pay dividends, and it cannot invest its earnings. It must obtain the permission of the State to erect new factories, and to expand existing ones; to buy materials and to sell goods; to hire and fire labor, and to raise and lower wages.

Whereas Marxian Socialism holds that it can achieve its aims only if it begins by expropriating private enterprise, the Nazis have left this point to the last, for purposes of window dressing vis-a-vis foreign countries. But it is only a meaningless and nominal distinction.

A real distinction is the direction of production. If all they did had not been done in preparation of an aggressive war, the Nazi economy could properly be termed an inverted Marxian Socialism.

THE ways of corporation finance are frequently devious. They are, on the whole, more devious under the Continental banking system than under the English. But under the Nazis they have become unbelievably complicated. They reflect the struggle which has been waged between state and private enterprise in Germany in recent years, silently and deadly, and hardly noticed outside the country.

The beginning of this struggle lay, of course, still in the "capitalistic" era when the great industrialists of Germany concluded their alliance with Hitler by which they promised him power, and he promised them a state without trade unions. These gentlemen are the only ones who ever pacted with Hitler and received a square deal. If they have to flee for their lives now they pay for nothing but their own sins. To the last they prove before the world their qualities, this strange generation of captains who are the first to leave the sinking ship which they have scuttled with their own hands, abandoning the crew to their fate.

But in those spring days of 1933 they were still quite firmly in the saddle, and, indifferent as they were from the human point of view to unemployment, they had no objections to the Nazis tackling the problem, provided they confined themselves to the creation of work which would in no wise compete with private enterprise.

Big Business in Trouble

This idyllic relation between Nazi State and Big Business lasted just as long as it took to liquidate unemployment. When this was achieved the Nazis demanded of private industry not only the production of armaments on a large scale, but they also expected it to expand the internal raw material basis of Germany. This was exactly what private industry did not like at all. Trapped in the net which they had helped to weave for others they appealed to Goering.

Did the Field-Marshal not think that there were reasons why the German low-grade deposits of ferrous and non-ferrous ores had not been exploited by private enterprise? Oh, yes, he did. But did private industry not think that the state comes first, that the Fuehrer's *Autarkie* command must be obeyed, and that perhaps private industry might dislike the implications and consequences of the State's opening up those deposits under its own management? Oh yes, they did. But did not the Field-Marshal think that in this event the State might find it difficult to obtain the necessary labor, as industry was fortunately working at capacity?

It was the last threat of already impotent private enterprise in Germany. In reply to it its death-knell was forged in the shape of the Four-Year-Plan.

We have, in previous articles here, discussed the effects of this Plan on the direction and efficiency of production, and on public finance. We shall now consider its effects on industrial finance, costs, and prices.

Industrial Finance

With regard to industrial finance the aim of the Plan was to force all savings, and more, into the flow which feeds the armament production. Direct regulations had already previously prohibited the issuing of stock and debentures. Dividends were limited. A great number of industries were not allowed to build new plants or even expand existing ones. The establishing of new firms was generally subject to strict control through the compulsion of submitting construction programs for approval. Apart from these direct measures there were developed indirect possibilities through the strict control of the state over labor; labor is allocated the same as bricks or other materials.

All these measures serve in the last resort the same aim, namely the complete subjection of private enterprise to the will of the state. But their number and their variety indicate the tenacity of the struggle which took place behind the side-drops of the

drama "one Fuehrer, one will, one nation."

The most interesting phase of this struggle was reached this spring when the measures which we enumerated just now had been in force for several years. The final blow against the freedom of enterprise fell in the guise of the New Finance Plan. This Plan was still couched in the terms of a financial law, because the Nazis did not yet want to come out in the open with the admission that they had definitely gone Bolshevik with regard to methods, and, one can only leave it at the word, Nazi with regard to principle.

Sap Opponents' Strength

As one of the reasons for the Plan the Nazis gave out the somewhat sensational story that unapproved plants had frequently been constructed by way of self-financing. Although this point was strongly emphasized no explanation was given, and so we are in the dark as to how it was possible for anyone to evade that whole host of restrictions. The point may have been made only in order to arouse popular indignation against private industry. But if there was any truth in it, it would mean that private industry exhausted its last strength in fighting with pun-pricks against the low cunning of the Nazi government; a deterioration of standards on both



TAKING THE PROPER STEPS

sides which it is pitiful to watch.

Like in the case of the trade unions the Nazis were wise enough to begin the fight against Big Business not with a frontal attack, but by gradually sapping the strength of the opponent. Of course, the unions had been an easier prey, if only because the Nazis were supported against them by the full weight of then still intact Big Business.

But there can be no doubt that by the outbreak of war the undermining of the strength of private enterprise had, from the Nazi point of view, so satisfactorily progressed that it was only a question of time when private industry would be formally expropriated. However, before this could happen, political considerations which in themselves were the direct outcome of the struggle for economic supremacy, let war appear a more urgent next step to the Nazis.

The way in which they defeated tradition and strength, and finally rendered Big Business weak and defenceless in its sphere, an example of perfect planning.

Big Business Defeated

The cost of producing iron from one mined in Germany, the cost of most of the zinc and copper and other metals won in Germany, the cost of Buna, of synthetic silk, synthetic textiles, and of many other commodities, is so excessive that private enterprise took up their production only when it was confronted by the Nazis with the choice between two evils: that of establishing industries whose profitability would be hopeless, and that of letting the state establish these industries and compete directly with private enterprise.

(Continued on Page 9)

THE BUSINESS FRONT

Depression Over or Postponed?

BY P. M. RICHARDS

FOR many moons a U.S. government-appointed body called the Temporary National Economic Committee has been working away in Washington, digging into a question which, perhaps even more than war, threatens the continued existence of democracy and freedom. Why poverty in the midst of plenty? Inasmuch as millions of citizens of the United States are suffering from the lack of products which the productive system of their country is not only well able to produce, but would like nothing better than to be allowed to produce, the question is obviously a pertinent one.

And it seems to be particularly so at this time when the levels of U.S. production and trade have been rising sharply and many people are wondering if this upturn does not mean that the decade-long

Great Depression is at last being left behind.

Is the depression really over, or is it just postponed? Or are all the factors responsible for its existence and continuance still operating, though less obviously at the moment because of the increase in production, employment and purchasing power brought about by war orders and the replenishment of inventories in anticipation of war orders? Is Depression going to reign once more immediately the war and its stimulation are past, with perhaps greater severity than ever because of the further wastage of wealth and the new indebtedness caused by the war?

Why Under-Production?

President Roosevelt, after the new European war began, gave the Temporary National Economic Committee the job of policing prices and it has been holding hearings all through December for the purpose of determining what must be done to keep a war boom within bounds. But it is carrying its investigation much further than this. It is also trying to find out what are the factors responsible for the pronounced under-production of goods during the last ten years, and the consequent unemployment and human suffering. Going on from this, it will seek to discover what must be done to break down these restraints and make possible a volume of production in keeping with the people's ability and desire to consume.

This is certainly a realistic approach, and for that reason should do some real good. If the TNEC establishes clearly in men's minds the fact that restraints on production are the central cause of the trouble, and promotes some general understand-

ing of what these restraints consist of, a real basis for progress will have been set up. And hope lies in the fact that the attitude taken by the TNEC seems to have more general support than ever before.

Restrictions on production are quite as much Canada's concern as the United States', for not only are the same depression factors still operating in our own economy, but we have also the new restraints imposed by our war effort. And we may find that these are much more easily taken on than thrown off. What happens when peace comes?

C. H. Carlisle, in his presidential speech in Dominion Bank shareholders last week, reminded us that we were not prepared for war when war came, and added: "It would be very unfortunate if we were not prepared for post-war conditions when they come." He stated his conviction that "Regimentation by government, or otherwise, has been tried and failed, and will continue to fail wherever attempted. It is a means of undermining democratic governments and democratic principles. If permitted, it will enslave industry and labor as it has enslaved them in Germany and Russia."

Basis of Prosperity

And from his accumulated wisdom and experience, Mr. Carlisle gave us this: "A happy condition can only exist, and public confidence can only be secured, when the business executive, the laborer and the farmer continually and unitedly strive to improve products, to lower costs, to price products so that the consumer may enjoy and have the things which are his right. Both labor and management should constantly keep in mind that the consumer determines the number of people employed." No truer words were ever uttered, yet governments and people persistently seek to defy these truths.

When this war is over, we shall find it has left us with new burdens to carry — burdens created by destruction and waste. And somehow or other, our productive system must carry them — there is no other way. To do so, the productive system must function much more efficiently than it did in the last ten years of depression and under-production. As Mr. Carlisle and others are warning us, the time to prepare for these post-war burdens is now, when the stimulation of our war effort is increasing employment and purchasing power, relaxing depression-strained nerves and creating a new feeling of unity.

The fact is that the war, itself destructive, gives us an opportunity to set our house in order — an opportunity we cannot afford to disregard.

The Bank of Canada's Service in Wartime

BY D. J. AGNEW

The quick monetary action of Canada's central bank since the declaration of war has contributed to Canada's war effort.

By expanding the cash reserves of the banking system, by maintaining an easy money policy and by defending our national gold reserves, the Bank of Canada has demonstrated the practical value of a central bank.

CANADA'S central bank, the Bank of Canada, opened its doors just four years and nine months ago. Compared to its grandmother, "The Old Lady of Threadneedle Street," this "Young Lady of Wellington Street" was small in stature and short on experience. Hoary financial experts pitted this inexperienced young girl and the gigantic tasks that were before her. This pity was wasted. Under the zeal and effort of her youthful governor she grew quickly, both in stature and experience.

From her first modest home in an office building she blossomed into a second beautiful residence on Wellington Street. She tackled the problems of directing the banking system with speed and dispatch. She efficiently handled the complex duties of banking for the government and directed the tremendous job of floating government bonds. She changed the note issue and handled the gold purchases and sales for the government. Her experts made a thorough study of the financial condition of the Prairie Provinces, and even now are contributing to the Rowell Commission Report on Dominion and Provincial Relations.

With the declaration of war in September last "The Young Lady of Wellington Street" assumed even heavier duties, and immediately joined in Canada's war effort. What were these duties, and how have they been carried out to date? The Canadian public should recognize the efforts of its central bank.

Not Easily Understood

The duties of the Bank of Canada are not easily understood. In brief, its duties are to direct the banking and credit facilities of the Dominion, so that the monetary machine, by running smoothly, may help rather than hinder Canada's economic development.

In the words of the MacMillan Commission on Banking and Currency, 1933: "The Central Bank should endeavour to regulate credit and currency in the best interests of the economic life of the nation, and should so far as possible control and defend the external value of the national monetary unit. The Central Bank, by wise and timely cooperation with similar institutions in other countries, should seek so far as may be within the scope of monetary action, to mitigate by its influence fluctuations in the general level of economic activity."

When war was declared on September 3 of this year, an era in Canadian economic history was ended. The new era quickly brought an expansion in Canadian business, but along with this expansion came many maladjustments which prevented the economy from working smoothly. How has the Bank of Canada met this profoundly changed situation?

Balance Sheet is Mirror

The best mirror of the Bank of Canada's activities is its balance sheet, issued once a week and on the last day of the month. What has this mirror reflected in the last five months? Table No. 1 gives changes in the assets and liabilities of the chief items in the Bank of Canada's statement.

Although these changes, in themselves, may seem meaningless, they have profoundly affected our banking and credit system. Two items stand out in bold relief: An increase of \$88.7 millions in the bank's holdings of short term government bonds, and an increase of \$52.6 millions in the note issue of the Bank of Canada. Let us examine separately the effects of these two increases.

The Bank of Canada's holdings of government bonds are closely related to what is known as the open market policy of the central bank. Purchases and sales of securities are governed by accepted monetary policy. Purchases of government bonds increase the deposits of the chartered banks held with the Bank of Canada which are, in effect, the chartered banks' cash reserves. Conversely, the sale of government securities will reduce

the cash of the banking system, and thus induce a reduction in the credit base.

The Bank of Canada, through increasing its holdings of short term government bonds by \$88.7 millions, and decreasing its holdings of long term government bonds by \$5.3 millions has in effect increased the cash reserves of the banking system by \$83.4 millions. By setting in motion these influences towards maintaining an ample supply of credit, following the outbreak of war the Bank of Canada has been an important factor in alleviating the many economic shocks which the banking system encountered.

Confidence in Credit

The purchase of government bonds at a time of stress, such as the outbreak of war, has another beneficial effect: by helping to maintain the price of the Dominion of Canada's obligations, the Bank of Canada has brought confidence in the ability of Canada's credit to withstand sudden shocks.

Further, through the purchase of government securities, a rise in government bond prices is indicated, thus reducing the yield on government bonds which are, in fact, the most influential factor on interest rates in Canada. Through this operation on the basic interest rates, the Bank of Canada has maintained an influence towards easy money in this time of stress.

It is interesting to examine the rate at which the purchase of government bonds was made. During the month of August, the Bank of Canada was a small seller on balance of government bonds. Purchases totalled \$4.7 millions and sales were \$8.3 millions. Between August 31 and September 8, the Bank of Canada purchased \$8.1 millions. In the following week it purchased \$11.1 millions, in the following week purchases totalled \$11.6 millions, and in the week ending September 27 its net purchases reached a maximum in a seven-day period at \$15.8 millions.

During October the rate of purchases varied from \$2.7 millions in the week ending October 11 to \$13.3 millions in the week ending October 18. Total purchases for the month were \$31 millions.

During the first two weeks of November the bank only purchased \$4.8 millions on balance, but in the week ending November 15, when the London high grade bond market turned weaker as a result of the peace proposals of Belgium and Holland, and Hitler's speech at the Munich Beer Hall, which was followed by an attempt on his life, the Bank of Canada purchased \$11.2 millions of government bonds.

Since that time it has been a seller for the first time since war was declared. Between November 15 and November 29 government bond holdings have been reduced \$12.1 millions.

Expansion of Currency

Turning now to the expansion in note issue, it must be remembered that the Bank of Canada notes play a double function. They are currency for the day-to-day transactions of Canadians, and they are, along with the deposits held by the Bank of Canada considered as cash for our chartered banks. Between July 31 and November 30 it is estimated that the Bank of Canada notes in the hands of the public have increased \$38.2 millions, while the chartered banks' holdings of notes have increased \$11.8 millions.

The increased demand for currency by the public is a normal seasonal movement at this time of year. Activity surrounding the crop, payments of debts and the end of companies' fiscal year, all produce an increased demand for currency. However, it is interesting to note that war conditions and business expansion resulting therefrom have brought an inordinate increase in the supply of currency in the hands of the public.

Between July 31 and November 30, (Continued on Page 11)

TABLE NO. 1

End of Month	ASSETS				LIABILITIES		
	Gold	Foreign Currencies	Investments	Long Short	Notes	Government Deposits	Other Deposits
July	265.2	44.0	112.6	51.4	149.7	26.1	206.9
August	269.6	32.9	111.0	52.1	179.7	30.1	201.3
September	224.6	44.4	155.0	63.6	212.5	38.7	221.3
October	225.7	46.6	185.9	55.0	224.4	39.1	234.3
November	225.7	60.7	196.5	46.3	222.5	52.4	229.6
Change, July 31 to November 30	-20.5	+16.7	+86.7	-5.1	+52.6	+23.3	+16.7

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CANADA PERMANENT
Mortgage CorporationHead Office, 320 Bay St., Toronto
ASSETS EXCEED \$69,000,000**GOLD & DROSS**

It is recommended that answers to inquiries in this department be read in conjunction with the Business and Market Forecast.

EXCELLO

Editor, Gold & Dross:

Would you please give me what information you can regarding Excelllo Mines—I think it is in the Porcupine district. A friend has some shares, which he wishes me to take. What is the value of two blocks of 500 shares each?

—R. V. J., Campbellford, Ont.

Excelllo Mines Ltd. has been idle since 1934, the year after its incorporation. The property consists of 200 acres in Shaw and Deloro townships, South Porcupine area, and has locational interest in view of developments elsewhere in that section. Exploration by previous operators located a number of veins carrying gold values but not enough work has been done to size up the importance of these occurrences. I understand there is no market for the shares which are offered around one cent.

DETROIT & CANADA

Editor, Gold & Dross:

I am considering the purchase of shares of the Detroit & Canada Tunnel Corporation. I understand that this company paid \$1 dividend on its common stock this year, which is selling around \$15-\$16 per share. Would you please give me any information you have on this company's financial set-up? Do you think it is an investment which could be considered sound and has the common stock any possibilities of advancing further?

—N. H. K., Windsor, Ont.

I think that the stock of Detroit & Canada Tunnel Corporation is highly speculative and quite unattractive. For one thing, the stock is not listed, and in trying to check your \$15-\$16 quote, I was informed that there was



R. C. HOLBROOK, formerly vice-president and general manager of Liquid Carbonic Canadian Corporation Ltd., who has now become president and general manager of that company.

—Photo by "Who's Who in Canada".

no market for the stock. The company has no fixed dividend rate, but paid, in 1939, \$1 per share which was not covered by earnings.

Detroit & Canada Tunnel Corporation was recently re-organized and under the plan, holders of each \$1,000 first mortgage 6 per cent bond, with coupons maturing May 1, 1932, and subsequently, received \$300 of new first mortgage 5 per cent bonds and 12 shares of common stock. Holders of each \$1,000 debenture, with all interest coupons maturing November 1, 1931, and subsequently, received 3 shares of new common stock. Holders of each \$1,000 of general claims received 3 shares of new common. Under the plan, the reorganized company has an initial capitalization of consisting of \$3,300,000 of first mortgage 5 per cent bonds and 135,000 shares of no par common stock.

Income in the year ended October 31, 1938, was \$53,419, equal to 42 cents per common share, as compared with a net of \$90,784 in 1937 and per share earnings of 71 cents. The company ended the year with working capital of \$330,123. Current assets of \$1,269,263 are practically all in cash, while current liabilities of \$939,140 are chiefly cash liabilities.

LITHIUM CORP.

Editor, Gold & Dross:

Several of our members have been approached to invest in Lithium Corporation of Canada at five dollars per share. Please give us any information available and state whether or not this is a good investment.

—K. of C., Brantford, Ont.

Lithium Corporation of Canada does not appear to have reported any activity since 1937, when shipments valued at \$1,694 were made to the United States. I have not heard of any plans for resuming operations although the company is said to have an estimated 40,000 tons of lithium-bearing ore blocked out at Bernice Lake, in the south-eastern part of Manitoba. The known ore deposits of lithium-bearing minerals are all located in Manitoba and production so far has been small.

I would not regard the shares as a "good investment" as, so far, the outlet for lithium minerals has largely been for the production of lithium chemicals and lithium metals and alloys, but it is possible recent interest in ceramic outlets for spodumene, one of the principal commercial lithium ores, may provide the needed encouragement to further develop the Manitoba deposits.

DUPARQUET, DUMICO

Editor, Gold & Dross:

During many years you have given me good advice; will you add to this kindness by telling me if Duparquet closed down because of lack of funds or lack of gold in the mine or if it was due to the restrictions of the Quebec government?

—W. H. A., Westmount, Que.

Duparquet Mining Company disposed of its property in 1936 to Dumico Gold Corporation for 1,500,000 shares, subject to pool, which will eventually be distributed on the basis of one Dumico for each three Duparquet. The property is located about one mile east of Beattie Gold Mines, which last year held an option to purchase the claims but this has since been dropped. The prospects for Dumico appear promising but underground work was stopped last April when funds ran low.

A shaft has been sunk 791 feet and four levels established with 3,000 feet of drifting completed. This work indicated \$133,000 to \$139,000 of \$6.75 grade ore in the vicinity of the No. 3 shaft. The intention is to diamond drill the eastern section of the property and efforts to raise additional finances have been underway.

INT. METAL IND.

Editor, Gold & Dross:

For some time I have held a few shares of International Metal Industries preferred and have been intending to sell it when it got up again to around what I paid for it. I see it is now selling at a premium. Could you tell me the amount of the arrears on the preferred and what is the cause of the stock's present strength? Would you advise me to sell?

—S. W. J., Fort Frances, Ont.

In view of International Metal Industries' greatly improved earnings which are covering the \$6 cumulative rate on the preferred and are permitting considerable periodic reduction of the arrears which now amount to \$28 per share, I think that the stock is an attractive hold for income as well as appreciation.

To date in the current year, business of International Metal Industries Limited has shown an improvement over the corresponding months of last year, and net for the year, it is estimated, will work out somewhere between the \$10.79 earned in 1938 on the preferred and the \$13.37 per share earned in 1937. Last year the regular \$6 quarterly dividend was supplemented with a payment of \$4.25 on account of arrears. This year it is expected that the company will be able to distribute again practically the full amount of earnings in dividends. Reasons for the present strength of the stock is the improved showing mentioned above and also the fact that International Metal Industries has received some war orders and the present price is discounting the possibility of further contracts.

PRESTON EAST DOME

Editor, Gold & Dross:

I hear that Preston East Dome is going to pay a dividend—is this true? How is the company coming along and what is the financial position? I would appreciate information, as I have some shares and don't know whether to hold them or not.

—W. R. L., Moose Jaw, Sask.

An initial dividend of five cents a share will be paid January 15 by Preston East Dome, all outstanding bonds will then have been redeemed and I understand there will still be a sizeable treasury surplus, which is an exceptional showing for a mine which only commenced milling ten months ago. Profits are currently high as a result of milling a large quantity of ore from an outstanding highgrade section. November's production was close to \$400,000, as compared with \$262,454 in October, and \$186,137 in September. December's output is also expected to be large as milling of the high grade ore is continuing.

Operating costs of about \$60,000 a month include close to 1,500 feet of development work and between 1,500 and 2,000 feet of diamond drilling. So far about 100,000 tons have been milled of the 475,000 tons estimated last spring above the 375-foot horizon. The mine is stated to be in a healthy position and it is planned at the beginning of the year to sink the main shaft 800 feet which will open up six new levels. If conditions at depth compare with the upper levels an increase in mill capacity can be looked for shortly. I think you might well continue to hold your shares.

ASSOCIATED GAS

Editor, Gold & Dross:

Once again I ask your opinion of Associated Gas & Electric 5's. Has the settlement which they have come to with the government made any difference in the strength of their bonds and has the Public Utility Act and the federal power projects still power to do them harm? It is very necessary that I watch the value of this bond—not that I am interested in the rise and fall of the bond for the making of money but my position is this: several years ago when the bonds were considered better bonds two middle-aged ladies whose finances were very limited were not able to meet a debt nor to live on the small amount they bought Associated Gas & Electric, paid the debt and have four bonds with the same interest. These last years they have lived in peace financially with the difference this made but I have lived in terror that the company would collapse with its many ups and downs these last years. So I would ask again your expert advice on the financial condition of the company and its prospects. I bought the bonds at 45. Today they were 30. What is your advice?

—S. E. D., Toronto, Ont.

The revenues of Associated Gas and Electric will probably show further moderate improvements in the coming months as a result of the war-expanded general business activity in the various areas served by its operating subsidiaries. But, although costs are being relatively well controlled, there is little prospect that the indicated earnings improvement will be sufficient to improve the company's position or the position of its securities on the market materially.

SEC hearings are continuing on a show-cause order why the common stock and the Class "A" stock should not be delisted, for the Commission

(Continued on Next Page)

TRENDS IN THE FIELD OF INVESTMENT

Facilities for studying the frequent changes in the field of investment and the status of securities are available to this organization through its branches. These facilities are at the disposal of our clients at any of our offices.

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WE DISCUSS THIS WEEK**Dominion Bridge**

THE largest Canadian fabricator of structural steels for bridges, industrial and commercial buildings, plate and tank work and mechanical work—cranes, trolleys, etc.—Dominion Bridge Company, Limited, accounts for over 50 per cent of the aggregate of such business. Under normal conditions about 80 per cent of the company's operating profit is derived from its fabricating activities; most of the remainder is realized in the form of dividends from subsidiaries which make a wide variety of heavy machinery and industrial equipment; the principal source of subsidiary income is the Dominion Engineering Works, Limited.

Main fabricating plants are located in Lachine, Que., Toronto, Ont., Winnipeg, Man., and Vancouver, B.C.; branch plants are situated in Ottawa, Ont., Edmonton, Alta., Calgary, Sask., and Amherst, N.S. The greater portion of the company's steel requirements are purchased.

Profits on steel fabrication and erection contracts are reckoned only when those projects are finished; consequently, there is a tendency for earnings to lag markedly behind incoming business trends, which vary directly with heavy construction activity. As available business lessens, competitive bidding, which narrows profit margins, tends to become more severe.

Carryover of Orders

Because business for Dominion Bridge in the late 1920's was unusually active, there was a large carryover of orders for structural work and as a consequence earnings were slow to mirror the business slump in 1929. The low point was not reached until 1934 when the company sustained a net loss of \$16,964. On the other hand, heavy building has been slow to take encouragement from business improvement since 1934 and earnings recovery has been correspondingly slow and irregular. Net in 1935 was \$35,233; in 1936, \$91,612; in 1937, \$660,661; and in 1938, \$532,014. Dividend requirements since 1934 have been \$616,741 annually. As a matter of record, dividend disbursements have exceeded earnings since 1930, for the company writes off heavy depreciation allowances—83 cents per share in the year ended October 31, 1938.

In the fiscal year ended October 31, 1938, earnings were equal to \$1.04 per share, as compared with \$1.29 in 1937; 18 cents per share in 1936; 7 cents per share in 1935; and a deficit of 3 cents per share in 1934. In the years from 1935 to 1938, inclusive, dividend disbursements amounted to \$1.20 per share; in 1933 and 1934, \$2 per share was paid. Current assets in the 1938 fiscal period totalled \$8,994,654 against total current liabilities of \$1,294,708. Of the former, \$1,167,289 was in cash, \$300,000 in call loans, and \$2,645,799 in government and other bonds. Such a strong cash position is traditional with the company.

Earnings in the year ended October 31, 1939, probably approximated the \$1.04 shown in the previous year, or showed some slight improvement. Dominion Bridge experienced a fair run of miscellaneous business in its various operating divisions during the year; orders were irregular, a few were moderately large, but for the most part contracts came in relatively small doses. Toted up, however, they made an encouraging total and the outlook at the present time is bright. The fundamentals in the industry are better than they have been for a number of years.

Eastern Plants Active

Plants in eastern Canada maintained a steady activity during the year with results for the latter months showing improvement over the first part of the year. Western plants have not shared in the activity evident in the east, but prospects are that the near future will bring a pickup in business on the Prairies and the Pacific coast.

Dominion Bridge should share heavily in any munitions work orders placed by the British and Canadian governments; its plants are admirably suited to the production of both war materials and heavy armaments. Such business should also materially benefit the subsidiary company, Dominion Engineering Works. In the meantime, the impetus given industrial plant expansion in Canada as a result of the War should aid the ordinary steel fabrication and construction business.

At current prices, Dominion Bridge stock is a speculation on war profits, as well as general construction recovery. But for the investor willing to gamble on the chance that the War will be prolonged, it has attraction. The regular \$1.20-per-share dividend is safe, and because the company's dividend policy has always been a generous one, prospects are that the regular payment will be augmented from time to time as profits warrant.

BUSINESS AND MARKET FORECAST

BY HARUSPEX

The market's long-term or year-to-year trend, under Dow's theory, continues upward. From the standpoint of the short-term or month-to-month trend, the market, since September, has been undergoing a corrective or partial cancellation of the war advance, from which renewed drive at recent tops is to be anticipated.

THE PRICE MOVEMENT—A number of developments have taken place since November 30 that, jointly considered, represent a marked change in the New York stock market's background, as compared with the prior period of market irregularity running from mid-September to late November. These developments suggest that a definite test is now under way as to whether the market can throw off its reactionary trend in favor of resumption of the main upward movement.

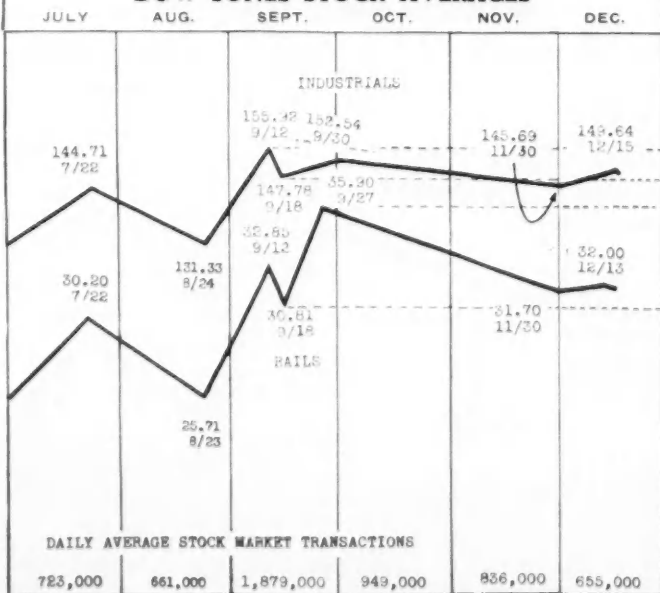
One most important consideration was the entrance of the market, as reflected by the two Dow-Jones averages, on November 30, into the correction zone set up by the war advance. Upper and lower limits of this correction zone, as previously discussed in these forecasts, represented the customary 3% to 5% cancellation of the war rise, and had not been previously touched during the course of the two and one-half months of recessionary action. Once a setback gets into its correction zone, the movement then becomes vulnerable to reversal.

In conjunction with this market development was the cancellation, at about the same time (November 27), by Moody's index of 15 spot commodities of 3% of its sharp war advance, and, of greater interest, a more or less steady rise in this index since about that date, or over the past two weeks. This advancing trend in commodity prices, including the first \$1 wheat in over two years, was anticipated by a rise, over the preceding month, in the Dow-Jones index of commodity futures, and represents the first vigorous upward price movement in the important and sensitive field of industrial commodities since the conclusion of their war rise in late September.

Another significant development has been the increase in brokers' loans since mid-October. After receding to \$405 millions on September 21, and holding about stationary to October 12, these loans, by December 8, had worked up by over \$100 millions, and on December 15 showed another \$131 millions advance. While this last large weekly advance is probably to be attributed largely to accumulation by dealers of maturing Treasury 1% notes for purpose of effecting a favorable exchange in respect to new government financing, the gradually rising curve of brokers' loans over the past two months, in the face of an irregular stock market, is, nevertheless, suggestive of slow accumulation by groups other than the general public.

Critical downside points in the two averages are the support point of September 18 on the rails, the support point of November 30 on the industrials. Decisive breaking of these points, as would be disclosed by closes in both averages at or below 29.80 and 144.68, respectively, would signal downward reversal in the upward trend from April 8. On the other hand, any extension of the current rally carrying the rail average to 32.25 or better, if followed by a setback failing to carry both averages below their recent bottoms, and then by a rally to points above the present movement, would signal renewed advance of substantial proportions.

While evidence has not yet accumulated to indicate positively that the period of irregularity since September has culminated, considerations outlined in the first several paragraphs above, in conjunction with (1) the mildness of volume throughout the decline, (2) last week's entrance of the rail average into new low ground with failure of the industrial to confirm, (3) the approach of the year-end, when prices generally show a buoyant trend; all are suggestive that accumulation, rather than distribution, is currently under way, preparatory to renewed advance.

DOW JONES STOCK AVERAGES

Dividend Notices

THE CANADIAN BANK OF COMMERCE

DIVIDEND NO. 212

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st January 1940 and that the same will be payable at the Bank and its Branches on and after Thursday, 1st February next, to shareholders of record at the close of business on the 30th December 1939. The Transfer Books will not be closed.

By Order of the Board

A. E. ARSCOTT,

General Manager

Toronto, 15th December 1939

DIVIDEND
CHARTERED TRUST AND
EXECUTOR COMPANY

Notice is hereby given that a dividend of 1% for the current quarter, and 1% additional for the year ending December 31st, 1939, has been declared on the paid-up Capital Stock of Chartered Trust and Executor Company, payable January 2nd, 1940, to Shareholders of record at the close of business December 15th, 1939.

By Order of the Board

E. W. MCNEILL,

Secretary

Dated at Toronto,

November 16th, 1939.

Provincial Paper Limited

Notice is hereby given that regular Quarterly Dividend of 1 1/4% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable January 2nd, 1940, to Shareholders of record as at close of business December 15th, 1939.

(Signed) W. S. BARBER,

Secretary-Treasurer

PRESTON EAST DOME
MINES LIMITED

(No Personal Liability)

DIVIDEND NO. 1

NOTICE is hereby given that a dividend of five cents per share has been declared by the Directors of Preston East Dome Mines Limited (No Personal Liability) payable in Canadian Funds on January 15th, 1940, to Shareholders of record January 5th, 1940.

By order of the Board

L. I. HALL,

Secretary

Toronto, Ontario,

December 11, 1939.

Guaranty Trust
Company of Canada

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of 2 1/2%, being at the rate of 5% per annum, on the paid-in capital stock of the Company has been declared for the half-year ending December 31st, 1939, payable January 15th, 1940, to shareholders of record at the close of business December 31st, 1939.

By Order of the Board

J. WILSON BERRY,

General Manager

SATURDAY NIGHT

THE CANADIAN WEEKLY

Established A.D. 1887

BERNARD K. SANDWELL, Editor

N. McHARDY, Advertising Manager

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CLOTHING

WOMEN'S factory clothing is the largest of the garment trades and has the second highest output for an individual industry among the textile manufactures of Canada. The only individual industry in the textile group with a higher output value is cotton yarn and cloth. Two other important branches of clothing manufacture are hosiery and knitted goods and hats and caps. Exports of the products of these industries, except silk hosiery and artificial silk, are relatively small; but similar imports run into millions of dollars annually.

AGRICULTURE

AGRICULTURE is the outstanding factor of net production in four provinces of Canada. In two others it stands second. Manufactures rank first in three and forestry in two. For the Dominion as a whole manufactures come first and agriculture second. In the sphere of agriculture, field crops rank first in the Dominion as a source of gross revenue, and hold the same position for all provinces. Dairying usually comes second and farm animals third. In two provinces, however, fruits and vegetables hold third place, while in one province farm animals rank second.

GOLD & DROSS



STEWART G. BENNETT, vice-president and general manager of Mount Royal Hotel Company, Ltd., who is one of two new directors elected to the board of Chartered Trust and Executor Company. The other is N. J. McLean, director and general manager of Canada Packers, Ltd.

shortly. Development results on the new 820-foot level are reported to be as good, if not better, than the main orebody on the upper levels. The crosscut gave about 88 grade across 10 feet and the first 300 feet of drifting averaged around 86. Flat drilling indicates the vein is widening to the west. October production totalled \$238,661 and since milling commenced November 1, 1938, to the end of October amounted to \$2,208,274.

MOUNT ROYAL HOTEL

Editor, Gold & Dross:

I would greatly appreciate it if you would let me know what happened on the proposed plan of reorganization of the Mount Royal Hotel Company, Limited, that was to be voted on November 30, last. I would like you to tell me how the reorganization affects the old stockholders.

—M. O. K., Halifax, N.S.

At a special meeting of the stockholders of Mount Royal Hotel Company, Limited, in Montreal on November 30, 1939, the plan of reorganization was defeated. The plan provided for the transfer of assets of the Mount Royal Hotel Company, Limited, to a new operating company for 100,000 shares; the reduction in interest on the first mortgage held by the Metropolitan Life Insurance Company and offering of general mortgage income bonds and shares to present stockholders to provide \$250,000 in working capital.

General acceptance of the plan would have meant that shareholders would have retained a relative position in the company which would have become an investment concern holding 100,000 shares in the new company out of a total of 131,220 shares.

The Nazi War Against
Private Enterprise

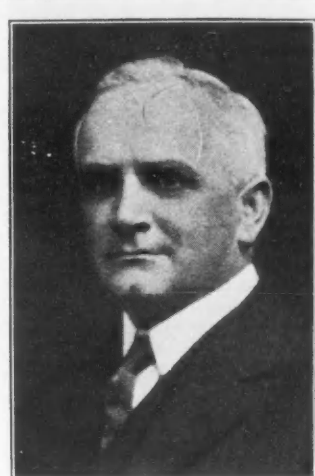
(Continued from Page 7)

The Nazis themselves wanted the first to happen for two reasons. Firstly, they wanted, for purposes of window dressing vis-a-vis foreign countries, to maintain the semblance of the freedom of private enterprise; secondly they would, through the armament business, prepare private industry from the financial side for socialization at the point when they would consider all circumstances favorable.

Following that same infallible instinct for wrong decisions which it had proved in helping Hitler to power, Big Business chose the greater of the two evils; it chose what the Nazis wanted it to choose. It preferred to preserve its "freedom," but it did not see that it was the freedom of a lion which is freed from a trap to be put in a cage.

The brown coal industry can serve as a model for what happened in detail in many other industries. An association of the German brown coal industry was formed in which all firms with an annual output of more than 400,000 tons must be members. Ten of the greatest members decided to found a hydrogenation company (for the production of synthetic gasoline from brown coal) with a capital of 100 million marks (\$40 million) which they subscribed themselves. Later on the Commissar for the brown coal industry decreed that all members of the Association had to take over shares from the founders according to a schedule based on their productions. One can hardly believe that this was done because the undertaking was so profitable.

When in 1938 the company raised a loan of 120 million marks for the erection of a fourth plant, all members of the association were made



J. A. ROWLAND, first vice-president and joint general manager of the Canada Permanent Mortgage Corporation, who has been elected president of the Dominion Mortgage and Investment Association.

—Photo by "Who's Who in Canada".

The new company would have carried on the business and the modified first mortgage would have reduced considerably the burden of fixed charges; collateral bonds would have borne no interest and general mortgage bonds would have borne interest only on a cumulative income basis. The company would have had the benefit of the investment of an additional amount of \$250,000 in the enterprise. The plan was approved by the directors, as well as by an independent committee, known as the "Reorganization Advisory Committee."

Private Capital

In all cases, with partial exception of the Goering Werke, the ruling principle was that private enterprise provided the capital for the Four-Year-Plan works. We have seen what made it do so. The compulsion was in the beginning sugared by certain compensations.

Until 1937 the synthetics and substitutes industries were given profitability guarantees by the Reich. These guarantees referred sometimes to prices and sometimes to quantities. They provided for costs including interest and depreciation, and an appropriate profit. They made the producers independent of the market, and allowed them to calculate and plan ahead as if they were living in a fool's paradise. But these guarantees were discontinued when it became obvious that the will of the Nazi state had become so irresistible that it was no longer necessary for the state to buy the allegiance of Big Business through granting it benefits.

The chief point which emerges from these observations is, then, that private enterprise, though nominally free and, above all, owner of the means of production, is nothing but an executive organ of the state. If the state would change its policy, the enormous investments in the Four-Year-Plan works would be lost. Therefore private industry, though it cannot possibly be unaware of the hopelessness of the position into which it has manoeuvred itself, is tied to the Nazi state for better or worse. As long as there was, and would have been, peace private enterprise could certainly not be expected to contribute to anything that might have become fatal to the Nazis. This explains much which has been so mysterious to many people outside Germany.

Textiles, Steel, Rubber

With regard to synthetic textiles the argument was reversed. All textile firms had to participate in the financing of the staple fibres industry on the grounds that this secured them a steady supply of raw materials. Otherwise the scheme of financing is on principle the same as in the case of brown coal.

Different was the way in which the Reichswerke Hermann Goering were financed. Here all firms of the iron industry had to take over shares of the nominal value of 50 marks for each man employed by them. Thus one-third of the company's capital was raised; the other two-thirds were subscribed by the Reich. This means that the inefficient producers who naturally employ relatively more men than the efficient ones, and who are consequently financially weaker, have to take relatively more shares. This might be healthy if one wants in the long run to ensure the survival of the fittest, but it must end in a muddle if you are in a hurry for your guns.

A third method of financing the top-heavy substitute industries was

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employed with regard to rubber. Since May, 1937, the German price of imported rubber has been kept stable through a varying duty which made it at times more than 200 per cent of the world price. The revenue was used to finance the Buna industry.

Apart from these different methods of financing there is the direct subsidy. It has been employed in a number of non-ferrous metal industries, especially copper, zinc, and lead. This system of subsidies had been introduced already by Dr. Bruening, and it was modified under the Nazis in that the works concerned were guaranteed, and, if necessary, paid, a fixed price for their total output provided it reached a certain volume.

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A Death Warrant

Just visualize the position. There you have a state which through an admirably balanced blend of cunning and threats induced private enterprise to sign its own death warrant. And you have an industry whose spirit was, through nothing but its own greed, so corrupt that it followed blindly the pied piper who promised it the realization of that old dream of decadent business, the socialization of losses. This state, and this business; a truly unholy alliance.

The awakening came too late. There is no turning on this path. It must be followed to the end. The end, that means inflation. The Nazi manner of public financing during the last few years will bring it about that private enterprise, if it should emerge as such from this war, will have no great difficulty to get out of its debts, and to deal with that part of the capital invested in the new industries which it may have sold to the public.

But the end does not only mean inflation. It will also mean the disappearance of the freedom of enterprise in Germany if it should survive the war, provided that Big Business does not change its spirit. Hitler was the first consequence of this spirit; other Hitlers will be future consequences, unless business becomes again business, and ceases to be social and political robbery from the top.

Those who are sceptical as to the ability and the willingness of the German industrialists to change their mentality to the necessary extent, might as well make up their minds that the world at large would be better off if this distortion of private enterprise disappeared from its sur-

face. Whatever may come after it may at least hold out the hope of not embarking on another war so wanton as the present one.

Cost of New Materials

But what is the immediate bearing of this problem on the course of the war? To start with, its outward expression is the cost of the new materials.

The production cost of synthetic gasoline is still about twice as high as the price of Hamburg for the imported product. The price of rubber in the German market is less than half the production cost of Buna, and this at a time when the rubber price is not particularly low. The cost of staple fibre is roughly the same as the price of wool, but it is, according to qualities, from two to three times as much as the price of cotton whose place it really takes.

With regard to iron German sources announced that, when all the works of the Four-Year-Plan would be working locally mined ore to capacity, they would produce iron at a cost which would compare favorably with the production cost of the Ruhr Valley based on Swedish ore. A commentary is not necessary if one mentions that the iron contents of the Swedish ore is between 60 and 70 per cent, and that of the German ore between 25 and 30 per cent.

Nazi commentators naturally consoled themselves by pretending that even if the foreign trade of the Reich should become normalized one day, the new works for synthetic products and substitutes will not be idle. To understand this, they say, one must bring into the calculation the "dynamic" values which result from the new policy. But it looks as if these dynamic values will soon appear to them as problematical as they have appeared to us all the time.

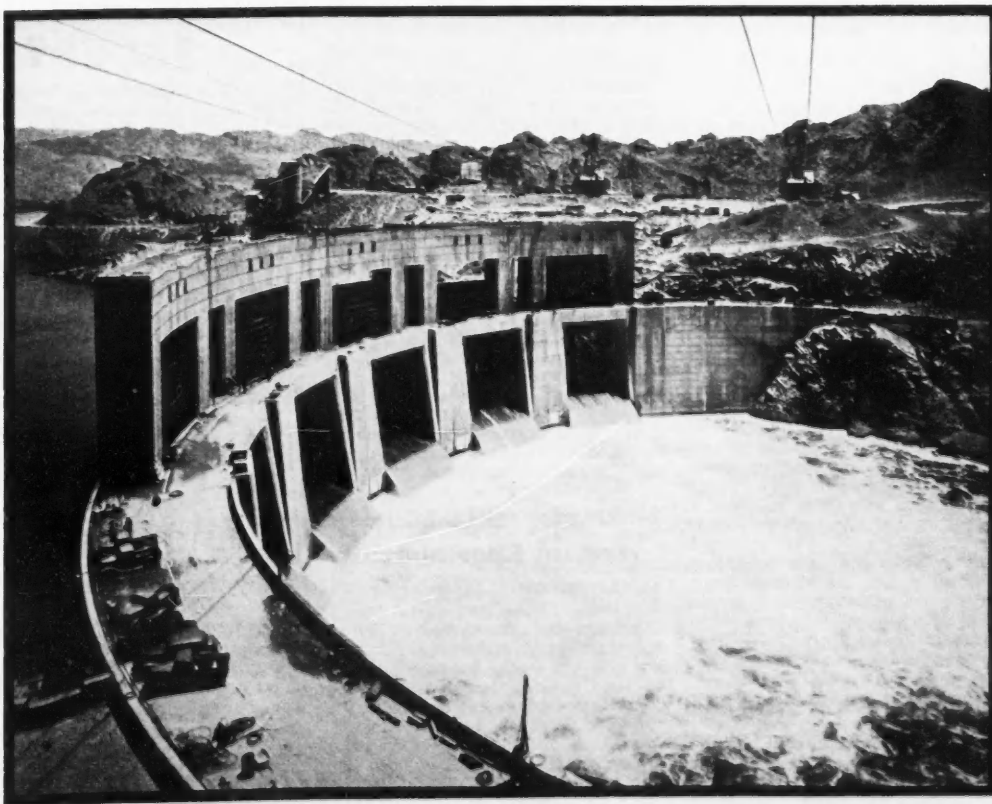
After all, if synthetic gasoline costs twice as much as the imported product, this means that you need correspondingly more labor to make it. And if the Nazis really cherished the hope that they could make themselves independent of the importation of gasoline because they have sufficient coal; of the importation of rubber, wool, and cotton because also here they have enough of the necessary basic materials, they have not been able to see these questions in their proper relation to the labor problem.

War Aggravates Problem

War must naturally aggravate this problem manifold. Already in spring of this year there was not sufficient labor available to keep coal mining going to the necessary extent. Old miners who had reached the age limit were then permitted to go on working without their pensions being reduced. The time of work underground was extended by 1/4 hours, that on the surface as long as necessary. Interesting from another point of view, too, is that quantities of land were bought by the government, and distributed among the coal miners who were also given special loans to raise pigs!

The contention that the price and cost problems are really no problems in war, is, then, beside the point. They are in this sense only reflections of the abnormal need for labor, and of the efficiency of industry; and these are very real problems. As we have dealt with them previously in these columns we can now assess the influence of all points we have discussed here on industrial financing.

It is clear that the capital invested in the synthetics and substitutes industries could receive dividends only as long as the German price structure would remain wholly artificial. However, if it remained so it would lead in the end to an abject impoverishment of the German people, without a possibility of escape. But when this war is over the German people will realize that they are poor enough already without paying twice as much as necessary for gasoline, rubber, textiles and many other commodities. And if this realization should express itself violently, it would only aid world trade if it did away with those monsters of an industrial interlude which everyone would wish to forget.



PARKER DAM on the Arizona-Southern California border has 235 feet of its 280-foot over-all height submerged, and so lays claim to the deepest foundation of any dam in the world. Semi-circular in shape, the dam is 155 miles below Boulder Dam on the Colorado River, and will divert river water to the great Metropolitan Aqueduct which will supply water for 13 Southern Californian cities.

CONCERNING INSURANCE

Bringing Down the Death Rates

BY GEORGE GILBERT

Holders of life insurance policies on the participating or with-profits plan do not always realize that they have a direct financial interest in the mortality experience of the companies carrying their insurance. As a matter of fact, the net cost of their insurance, whether high or low, depends to a large extent upon whether these companies experience a favorable or unfavorable rate of mortality from year to year.

At the present time, when surplus earnings from other sources—such as interest earned at a higher rate than that assumed in premium calculations—have been materially affected, the importance of a favorable death rate is considerably enhanced. Accordingly, it is satisfactory to observe that the death rate among insured lives has shown a substantial drop during the past three years, from 794.3 per 100,000 policyholders in 1937 to 746.0 in 1939.

DURING the first ten months of 1939 all major mortality trends of recent years have been maintained in every essential detail, according to the current research work which is carried on by the Association of Life Insurance Presidents to determine the aggregate death rates by causes of death among insured lives.

At the recent annual convention of the Association in New York, the results of this year's study, the

eighteenth in the present series of consecutive annual investigations, were presented by Dr. Walter E. Thornton, 2nd vice-president and medical director of the Lincoln National Life, who referred to the fact that the value of this continuous research was much enhanced by the enormous numbers involved in the exposures, the 48 companies who contributed the material this year carrying no less than 83.9 per cent of all the policies in force in legal reserve companies in the country.

In the case of the communicable diseases, measles, scarlet fever, whooping cough, diphtheria, and meningitis, while the death rate from meningitis has decreased but little, the current combined death rate of 12.3 per 100,000 policyholders is only about a quarter of that for the year 1922, and a sixth of that for 1923, which is regarded as a year much more typical of the mortality of the period.

Tuberculosis continues to show a decreased death rate. Among industrial policyholders the decline has been spectacular, the decrease in 17 years being 78.3 per 100,000 to the current all-time low of 42.5 per 100,000. It is pointed out that the control of tuberculosis entered its final phases in the last six or seven years with the establishment of the tuberculin skin test as an accurate index of the presence of even the earliest and most curable form of the disease.

May Christmas joys linger with you all ways, and hopes for the New Year see happy fulfilment.

The CANADIAN FIRE INSURANCE CO.
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THE WAWANESA Mutual Insurance Co.
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W. R. HOUGHTON, MANAGER

THE OLDEST INSURANCE OFFICE IN THE WORLD

ROBERT LYNCH STAILING, Manager for Canada

EVERYONE NEEDS THE SUN



G. CECIL MOORE, general manager of the Imperial Life Assurance Company of Canada, who has been elected a member of the board of directors of the company. Mr. Moore has been associated with the Imperial Life since its inception in 1897.

—Photo by "Who's Who in Canada".

a decrease for the year, both among industrial and among ordinary policyholders. Homicide among ordinary policyholders showed a death rate of about 4.5 per 100,000 from 1922 through to 1933, since when it has decreased to the present level of about 2.0 per 100,000. The homicide death rate among industrial policyholders has been more irregular, but there has been a downward trend from a high of 5.9 per 100,000 in 1934 to the present figure of 3.8.

Suicide Rate

Suicide among industrial policyholders shows little variation in the death rate, starting at 8.8 per 100,000 in 1922, ending the current year at 9.0, the deviations from the median in the interval not exceeding 2.9 deaths per 100,000. In contrast, the suicide death rate among ordinary policyholders shows a wide variation, with an abnormal movement lasting ten years, beginning with a slight rise in 1927, reaching its peak in 1932, and subsiding gradually until it ended in 1937 at a level practically the same as that of a decade earlier. This year the rate was 22.7 per 100,000 as compared with 26.9 in 1938.

Fatal automobile accidents continue to show a downward trend, the death rate per 100,000 this year being 18.2, as compared with 18.6 in 1938. Other external causes of violent deaths also show a downward trend for the past ten years, the death rate per 100,000 for this year being 30.6 as compared with 32.5 for 1938.

Deaths from cancer continue to increase, the death rate per 100,000 for this year being 96.5 as compared with 94.1 for 1938. No disease has been investigated more thoroughly than has cancer, but despite all research work the essential secret of cancer has not been discovered, and the death rate keeps going up.

Organic disease of the heart also shows a trend that is regarded as alarming. Deaths from this cause among ordinary policyholders were slightly over 90 per 100,000 in 1922, while this year the death rate was 195.1, showing an increment of 6 deaths per 100,000 per year during the interval. Not all forms of heart disease are involved in the increase, it is pointed out. Most of it is confined to those forms depending upon degeneration of the arteries supplying the heart muscle with blood, the fundamental problem being one of arterio-sclerosis.

Influenza Cycles

With respect to influenza, it is pointed out that the peak death rates recur in a three or four year cycle. They have appeared in 1923, 1926, 1929, 1931, 1933 and 1937. While the reason for the rhythm is regarded as another of nature's riddles, it is noted that there are some authorities who would claim that, despite last year's all-time low death rate, the higher death rates from influenza this year among both industrial and ordinary policyholders indicate a new, probably minor epidemic which will not reach its crest until 1940 or 1941. Should such occur, however, it is expected that the newer treatments of the accompanying pneumonia will rob the epidemic of much of its terror.

With regard to the infectious diseases as a whole, it is noted that the trend of the death rate has been consistently downward, and has not been affected by either prosperity or depression. While the mortality figures presented by the Association have not been distributed by age, it is pointed out as a familiar fact that the young ages, and particularly the very young ages, have benefited most. Although there has been an extension of the average life span, there has been no extension of life beyond age 50 and very little beyond age 40.

Deaths by violence of all types show

Free Newspaper Insurance Ends in Britain

ALL the national daily and Sunday British newspapers which have been granting free accident insurance to their regular subscribers have cancelled this benefit as from 6 a.m., Saturday, September 23rd. It is announced that all outstanding claims and those arising up to that time will be dealt with as quickly as possible, but that no new registrations will be accepted. The move was not unexpected under present war conditions, and it will not be regretted in insurance circles, which have generally looked upon the whole scheme as an encroachment upon their field of activity.

Story of Emerald Ring Lost in Athenia Disaster

AT THE time the passenger vessel "Athenia" was ruthlessly torpedoed by the Germans at the outbreak of the war, a \$1,500 emerald ring was on the hand of one of the passengers, an American lady from Massachusetts, who with her husband was

returning to the States. When the ship was struck, she was thrown into the sea but was later rescued by the "Southern Cross." On being picked up, she lost consciousness and was attended by a stewardess from the "Athenia" who, noticing that the lady's hand was smeared with fuel oil, removed the ring in order to clean it.

It appears that before the cleaning operation was completed, other rescue ships arrived, the stewardess was put aboard a destroyer and taken to England, while the owner of the ring was transferred to the "City of Flint"—later so much in the news—in which she arrived home safely.

The ring had been insured in Boston with the Liverpool & London & Globe Insurance Co. against all risks except war risks. On receiving an inquiry at its Boston office, the company referred the matter to the U.S. head office in New York, which in turn took it up with the head office in Liverpool, Eng. The "Athenia" stewardess had returned the ring to the office of the shipping company, and so the American lady recovers it again.

Christmas Decoration Hazards in Home

EVERY year, from a few days before Christmas until after New Year, a plague of fires visits the homes of Canada, says a bulletin from Ontario Fire Marshal's office. Many of these are the result of hazards which exist only during the holiday season because of carelessness that would not be tolerated at any other time. In many instances the most joyous hours of the year have been converted into scenes of tragedy.

Scores of fires start from Christmas lighting because of candles on trees or near curtains and other combustible materials or from the use of substandard and improperly installed electrical accessories. Accidental ignition of flammable costumes and Santa Claus' whiskers have accounted for many Christmas tragedies. Celluloid dolls and toys add still another hazard in many homes. These articles cannot be fireproofed and are too hazardous to be placed in the hands of little children. They burn so rapidly that it is quite impossible to avoid injury in case they become ignited.

Decorations of metal, glass and asbestos are the safest to use. Fireproofed crepe paper, cotton and other fabrics are manufactured, and the flammable varieties may be rendered flame-proof in the home by immersing them in a saturated solution of ammonium phosphate. Before and after Christmas there is usually a lot of flammable material, such as wrappings, about the house. Such accumulations should be immediately and safely disposed of.

Life Insurance Sales Show 32.9% Increase

SUBSTANTIAL increases in the sale of new ordinary life insurance are reported for the month of September by all the provinces of the Dominion, as well as Newfoundland. Eighteen companies having 84% of the business in force, record a gain of 32.9% as compared with September of last year, according to figures compiled by the Life Insurance Sales Research Bureau and released by the Canadian Life Insurance Officers' Association.

Following are detailed sales for last month, exclusive of group and wholesale insurance, annuities, pension bonds without insurance, reinsurance, revivals, etc.:

British Columbia, \$2,797,000; Alberta, \$1,969,000; Saskatchewan, \$1,036,000; Manitoba, \$2,323,000; Ontario, \$16,685,000; Quebec, \$9,137,000; New Brunswick, \$1,019,000; Nova Scotia, \$1,685,000; Prince Edward Island, \$163,000; Newfoundland, \$303,000; total, \$37,117,000.

Life Insurance sales for the current year have reached a total of \$290,462,000, an increase of 3.43% over the corresponding period of 1938, as follows:

British Columbia, \$22,429,000; Alberta, \$12,389,000; Saskatchewan, \$7,584,000; Manitoba, \$17,712,000; Ontario, \$171,851,000; Quebec, \$75,133,000; New Brunswick, \$7,008,000; Nova Scotia, \$12,097,000; Prince Edward Island, \$1,284,000; Newfoundland, \$2,975,000; total, \$290,462,000.

Employers Liability Western Appointments

E. L. MARSHALL, manager for Canada of the Employers' Liability Assurance Corporation Limited, Montreal, has announced the following changes in the personnel of the Western organization:

F. H. Roost who has been with the Corporation for a number of years, latterly in the capacity of Resident Inspector at Ottawa, has been appointed assistant to T. D. Harris, Western Branch Manager, with headquarters in Winnipeg.

J. Venables, formerly assistant to Mr. Harris, has been promoted to the management of the Calgary branch.

V. Grace, for many years Branch

Sun Life of Canada
WORLD WIDE
BENEFITS PAID SINCE ORGANIZATION IN 1865
EXCEED \$1,200,000,000
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CONFEDERATION LIFE ASSOCIATION
ONE OF THE WORLD'S GREAT LIFE INSURANCE INSTITUTIONS
RENOVED FOR STRENGTH, SERVICE AND SECURITY SINCE 1871

Every POLICYHOLDER Saves

As well as the wide protection and personalized service of Northwestern Insurance, all policyholders participate in the savings of the Company.

Every day in the year, under the conservative management of this leading mutual Company, effective fire prevention measures help build savings that are distributed to the Company's policyholders.

Under the Northwestern Mutual Plan, every policyholder saves.

Write or phone for the name of the Northwestern Agent in your territory.

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AGENCY INQUIRIES INVITED
NATIONAL RETAILERS MUTUAL INSURANCE COMPANY
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20 to 30% DIVIDENDS
FIRE, TORNADO and SPRINKLER LEAKAGE INSURANCE
MILLOWNERS MUTUAL FIRE INSURANCE COMPANY OF IOWA
CANADIAN HEAD OFFICE HAMILTON, ONTARIO

FIRE AND WINDSTORM INSURANCE
DEPENDABLE SECURITY
THE SHIELD OF PROTECTION
This outstanding Western Company operates in exact compliance with the Dominion Insurance Act. Investments are selected for safety and risks are carefully chosen, providing "Portage" policyholders with dependable security at minimum cost.
ESTABLISHED 1884

Manager at Calgary, has been assigned special duties in Toronto Office.

Inquiries

Editor, Concerning Insurance:

Will you kindly give me information regarding Crown Life Insurance and Standard Life (Edinburgh)? Are these companies reliable? How do they compare with the larger companies in standing?

—R. M. F., Coldwater, Ont.

Both the Crown Life Insurance Company and the Standard Life Assurance Company, with head office at Edinburgh, are sound and reliable companies and safe to insure with. They maintain ample reserves for the fulfillment of their contracts just the same as the larger companies do. We

do not discriminate between companies that are safe to do business with, as a person would be protected to the full face value of the contract if taking a policy with any one of the companies referred to.

Editor, Concerning Insurance:

In what way do the benefits provided by an accident and health policy differ from the benefits provided by the disability clause in a life insurance policy?

—L. M. G., London, Ont.

Under accident and health policies, as a rule, immediate benefits are provided for temporary disability, whether total or partial, while under the disability clause in a life insurance policy benefits are provided only for total and permanent disability, and only after a waiting period of from three to six months, depending upon whether the policy contains the old or the new disability clause.

Mines

BY J. A. McRAE

LAKE SHORE Gold Mines at Kirkland Lake is considered to have adjusted itself to structural conditions at depth. In doing this, the tonnage being treated daily was reduced from 2500 to 2000 tons per day. The outstanding feature with the adjustment is that it points toward greater ultimate production of gold than could have been expected under the former program.

In mining and milling 2000 tons of ore daily instead of 2500 tons daily at Lake Shore Mines, the general operation becomes more efficient than formerly. Greater care may be exercised in drawing the ore, resulting in a little less waste rock creeping into the ore stream. Not only this, but the back-filling operations in the stopes can be carried forward more efficiently.

Lake Shore net profits under this new program are expected to fully cover dividend disbursements of \$3 per share annually. Not only this, but the outlook is that the life of the mine is to be considerably lengthened.

Ore resources in sight on the Lake Shore are higher than at any previous time in the history of the mine. In the lower levels the average grade of ore is higher than that being drawn from the mine as a whole. In the new levels at 3,950 ft., 4,075 ft., 4,200 ft., 4,325 ft., and 4,450 ft. in depth, the gold content of the ore so far disclosed has averaged from .51 oz. per ton to .77 oz. per ton or \$18 to \$30 per ton. It is important that in this work the average values at the lower level, 4,450 ft., is particularly high. For example, the ore at this deep level carries over \$30 to the ton in gold, and with more than two-thirds of the lateral work at this level in this high grade ore. Moreover the ore already disclosed at this lower level has a length of not far short of one-half a mile, and with such ore showing across the full width of the drift.

Howey Gold Mines had encountered additional ore. Instead of having reached the salvage stage, another year appears to have been added to the life of the mine. The company purchased 400,000 shares of East Malartic at \$1 per share in the early stages, and the value of this has more than trebled on the open market. It is now believed Howey can maintain current operations at Red Lake for nearly three years, and with the prospect of work in that period leading to some further ore occurrences or extensions.

Noranda Mines has had the most successful year in its history, with indications that earnings for the year just drawing toward a close will reach \$4.90 per share. In 1938 the earnings were \$4.28 and were the highest record up to that time. While the company is making its profits

largely from its own operations, yet the income from controlled companies is growing steadily until at present the income from Hallnor, Pamour and Powell Rouyn has reached a combined rate of nearly \$2,000,000 a year. The assets of Noranda have reached about \$30,000,000, of which more than half is in Cash, bonds, receivable and metals. One unofficial estimate has placed the total assets and investments of Noranda at a value of more than \$40,000,000.

Hoyle Gold Mines at Porcupine, controlled by Ventures, Ltd., and Sudbury Basin Mines has already indicated over 2,000,000 tons of \$4 ore, or well over \$8,000,000 in gold.

One adverse aspect of mining in Canada is the extent to which prospectors have been discouraged. This discouragement has been placed largely at the door of the Ontario Securities Act. I have secured the opinions of many prospectors and mining men. I have tried to assay the various viewpoints. The net result is that prospectors in the province of Ontario are openly and seriously resentful of what they now regard as an injustice. Open revolt against the entire Act is spreading. Moreover, there is no longer much evidence of any spirit of compromise. Any further resort to tact is being abandoned.

Premier Hepburn and Attorney-General Conant have it within their power and influence to come to the aid of the pioneers. In a very few words, what the prospectors want is not amendments to an Act that has been detrimental to mining progress, but an out-and-out repeal. The Act has been tested and it has failed. The men who have administered the Act have been sincere and highly capable. The efforts of Commissioner Whitehead, together with his able lieutenants Mr. Brant and Mr. Beer have been highly appreciated and praiseworthy. With the Act having failed under such circumstances, its repeal is considered all the more imperative.

What prospectors and mine developers want is for the Attorney-General's department to take full command of all the machinery of control and discipline,—not to attempt to sit on the judgment seat in regard to property, mining deals, etc., but to compel all companies to submit all facts to the Department and to then advertise the fact that such information is on file and available for public information and protection. The filing of any false information with the Department to be punishable under the Criminal Code. Prospectors in general are looking to Premier Hepburn and Attorney-General Conant to remove the injustice which has throttled the work of the pioneers. They want to see the Ontario Securities Act abolished.



"TIN CAN ARMAMENTS". Old tin cans and other metal containers are collected from the dust bins of Plymouth and, after being graded and pressed, are utilized in the making of armaments. Here is a small portion of the haul, pressed, stacked, and ready for melting down.

31 and October 31, have increased their short term government holdings by \$171 millions while the long term government bond holdings have declined \$25 millions.

This concentration on short term government bonds is a natural reflection of the tremendous uncertainty which surrounds present economic conditions. As pointed out by J. M. Keynes in his discussions of monetary policy, the heavy purchase of short term government bonds brings a note of stability into the economy without predominantly affecting long term rate of interest. Indeed, through this bond purchasing policy, the banking system in Canada has not only provided a large expansion of cash resources, but has made an important contribution to the stability of Canada's credit, as reflected in the price of her government bonds.

Stabilizing Factor

Although there is no adequate index of all government bond prices, the effect of this purchasing may be

shown by examining the prices of individual issues. The average price of the 2% Dominion of Canada issue due June 1, 1942, was 100.90 in August. In September this average price had declined to 99.07, and had improved to 100.54 in the first twenty-four days of November. Even more pronounced fluctuations are discernible in the longer term government bonds. The 3 1/4% Dominion of Canada issue due June 1, 1956-1966, had an average price in August of 101.09. The average price during September was 94.33. By November the average price had improved to 97.31. Therefore, although the open market policy was largely confined to short term issues, the most pronounced effect of the policy was apparent in the price of the long term issues, thus contributing in no small measure to the stability of Canada's credit in a time of world crisis.

As was previously stated, one of the duties of the central bank, as set forth in the MacMillan Report of 1933, is to "so far as possible, control and defend the external value of the

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AGENCY OPPORTUNITIES

IN SOME TERRITORIES THROUGHOUT CANADA

GEORGE H. GOODERHAM, President A. W. EASTMURE, Managing Director

monetary unit." However much we may dislike the regimentation of our foreign currency activities through the establishment of the Foreign Exchange Control Board, it should be recognized that this board is a tremendous stabilizing factor at a time when economic adjustments and their resulting fluctuations might have contributed only further uncertainty to an already uncertain situation.

Gold Holdings Rise

It will be noted that the Bank of Canada's gold holdings have increased \$20.5 millions between July 31 and November 30. In times of fluctuating exchanges, and with a tremendous volume of foreign investments in Canada, it would not have been possible to maintain, let alone increase, our national gold reserves without the establishment of the important Foreign Exchange Control Board.

It is manifest from this discussion

of the workings of Canada's credit system under the early and difficult months of a new World War, that the Bank of Canada, by providing a substantial credit base, and by a policy of purchasing government bonds, has contributed increased liquidity to Canada's financial structure. Further, by increasing Canada's gold reserves, and hence her main international asset, the Bank of Canada has strengthened Canada's credit base. Lastly, by defending the external value of our monetary unit against capital movements which, under the stress of war conditions, might have disrupted our foreign exchange rates, the Bank of Canada has aided Canadian international trade and permitted an early contribution to the war efforts of the Allies.

The efficiency and dispatch with which Canadian monetary policy has been adjusted to war needs is an answer to those many critics who have claimed that Canada did not need a central bank.

The Bank of Canada's Service in Wartime

(Continued from Page 7)

1938, the expansion was only \$15.1 millions, while in the same period of this year the expansion has been \$38.2 millions. This undoubtedly has influenced the chartered banks to hold a larger supply of Bank of Canada notes than under normal conditions, and whereas their holdings of Bank of Canada notes increased only \$3.2 millions between July 31 and November 30, 1938, in the same period of this year they expanded \$11.8 millions.

The Legal Reserve

This increase in security holdings and notes issued, which has resulted in new record highs for these items on the balance sheet, has been accompanied by an expansion in the legal reserve of the Bank of Canada. Under the Bank Act, gold, along with sterling and United States dollar balances, are the reserves upon which the bank carries on its operations. Between July 31 and November 30, the Bank of Canada's gold holdings have expanded \$20.5 millions, while its holdings of foreign currencies have expanded \$16.7 millions, a total expansion in the legal reserves of \$37.2 millions.

Against this must be considered an expansion of \$23.3 millions in government deposits, \$16.7 millions in bank deposits, and \$21.5 millions in "other" deposits. This has resulted in a decline in the Bank of Canada's reserve ratio from 60.22% to 54.60%. However, it must be pointed out that just previous to the War, namely in August, the Bank of Canada's reserve ratio reached the highest level since August, 1936, at 61.80%. The abundance of these reserves may be appreciated when it is realized that the Bank Act states that the legal reserves of the bank must be 25% of its deposit and note liabilities.

The effect of these operations by the Bank of Canada has permitted the

chartered banks to expand their credit facilities and at the same time maintain their strong reserve positions. (See Table No. 2) An increase of one dollar in the cash position of the chartered banks permits a ten-dollar increase in the credit made available to the Canadian public. Chartered banks' cash position can only be accurately stated to the end of October, as the November statements have not yet been published. Between July 31 and October 31 the cash reserves of the chartered banks increased \$30 millions, but the Bank of Canada, in the Monthly Summary, estimates that there has been a further expansion of approximately \$3.1 millions to November 22.

This has permitted a \$330 millions expansion in bank deposits, to the highest level in history, \$445 millions above a year ago, and \$466 millions above October, 1929, and has maintained a ratio of cash to deposits in Canada at 10.7% at the end of October, vs. 10.2% at the end of July.

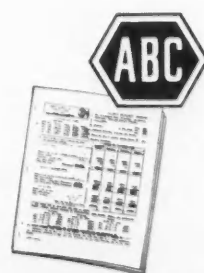
This, in turn, has been reflected in an increase of \$138 millions in current loans to the Canadian public, bringing them to the highest level since December, 1932, and \$104 millions above October a year ago. It has also been reflected in government security holdings which have reached a new all time high at \$1,353 millions, up \$146 millions since August 31, and \$233 millions above a year ago.

We may now make an interesting digression, to note that the policy of purchasing government securities, both by the Bank of Canada and the chartered banks, has been confined to short term government securities. As stated previously, between July 31 and November 30, the Bank of Canada has increased its short term government bond holdings by \$86.7 millions, while the long term government bonds have declined \$5.1 millions. Chartered banks, between July

TABLE NO. 2
CHARTERED BANKS

End of Month	ASSETS				LIABILITIES	
	Cash	Total Loans	Investments	Short Long	Total Deposits	Ratio Reserve of Cash to Deposits
		millions of dollars			millions of dollars	%
July	250	814	444	761	3,072	10.2
August	261	826	443	744	3,100	10.3
September	270	891	444	733	3,144	10.6
October	289	952	617	736	3,402	10.7
Change, July 31 to October 31:	+39	+38	+171	-23	+330	+5

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SATURDAY NIGHT

An A. B. C. Publication

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New Blockade Should Aid British Trade

BY GILBERT C. LAYTON

Saturday Night's Financial Correspondent in London

Germany was already starved of foreign exchange before Britain adopted the two-way blockade as her answer to Germany's indiscriminate sea warfare against neutral as well as Allied shipping.

The new blockade, by cutting off many German markets, means further loss of greatly-needed foreign exchange to the Reich and simultaneously opens the door to important gains by the Allies.

But, says Mr. Layton, this trade lost to Germany has to be sought for and fought for by Britain in exactly the same way as peace-time trade has to be sought and fought for.

HITLER'S economic credo, "We must export or die," is as true of Britain as of Germany and as true in war as in peace. The sinews of war for any country which is not self-sufficient are foreign exchange, whose measure is the measure of ability to secure essential imports; and the only economic provider of foreign exchange is exports.

What Germany has lost by the determination of the Allies to answer the murder of mines with the stranglehold of the two-way blockade cannot be measured solely by reference to the size of the markets from which she is immediately cut off.

There is the blow to morale; there is the effect upon neutrals, many of which have been forced to preserve apparently friendly relations, against their real social and psychological direction, by their dependence upon economic association with the Reich; above all, there is the fact that what Germany is deprived of is on offer to the trade and industry of the Allies, if they know how to avail themselves of the opportunity.

Starved of Exchange

Even with her exports stimulated by every device which ingenuity and political pressure could present, Germany was starved of foreign exchange. Every state with real freedom of choice between selling to the German or British markets invariably chose the way of good faith and ready cash.

So the German navy dropped its mines, without safety devices and without warning, in the hope that a sufficient proportion of neutral shipping would be destroyed to compel neutral states to reorientate their economic policy towards Germany and away from the dangerous waters surrounding Great Britain. This method, it was hoped, would undermine the efficacy of the blockade imposed by the British fleet.

The answer was inevitable and just. Great Britain and France, who since the beginning of war had prevented contraband imports from reaching Germany, announced that the blockade would be intensified to prevent exports from Germany, in whatever bottoms they were carried.

Possible British Gains

Neutral opinion has naturally been disturbed. The Dutch government has announced that in its interpretation of neutrality it will be bound to withhold from England such goods and commodities as she is compelled to withhold from Germany. But there is no reason in the attitude which matches a loss of German trade with a corresponding loss of trade with the Allies. The neutrals too must export or die, and they should co-operate with the British and French governments so that what they have lost on the swings they may regain on the roundabouts. The Argentine government has understood this.

The extent to which German losses may be Britain's gains is indicated by the figures of Germany's exports in 1938. The Reich sold about £263 million—taking the Reichsmark at 20

to the £—and the items most prominent were: coal and coke, iron and steel products, machinery, electrical machinery and appliances, textile piece goods, chemicals and dyes, machine tools, vehicles and paper. She exported goods to the value of more than £20 million to the Mediterranean countries, more than £29 million to Central and South America, nearly £13 million to Asia and £7½ million to the United States.

Who is going to supply these markets? The big industrial neutrals are on their toes, but it is not easy for a country suddenly to expand its exporting apparatus, particularly when its resources are in any case fully employed in the service of the Allies. The obvious selection is Great Britain and, in certain departments, France. These countries have the need—just as they have created the opportunity—and they have the facilities. Great Britain can supply in sufficient quantity all the items listed above, with the exception of machine tools and chemicals, of which she is a considerable importer.

It would be difficult to over-estimate the value to the Allies of the addition of the erstwhile German markets to their existing customers. In the first place, there would be the substantial augmentation of the inflow of foreign exchange, which would proportionately increase the capacity to buy from abroad and do much to remove the bogey of living on capital which war always brings.

Must Work for Trade

Secondly, there would be established an effective bar to whatever pro-German sentiments the countries concerned have been inclined to hold by reason of their trade with the Reich.

There will not, however, be an automatic gravitation towards Great Britain of this lost German trade. It has to be sought and fought for in exactly the same way as trade has to be sought and fought for in peace time.

Here is the opportunity for really thorough co-operation between industry and government. Let industry send back the representatives which it has withdrawn, and let it send new ones; let the government awake to the fundamental need for publicity for the trade and industry of Great Britain; let it co-operate so that, while industrialists see that the goods are available, it sees that the trade name Great Britain is branded throughout the consuming countries; and let it be as willing to spend £1 on trade propaganda as it is to spend £1,000 on supporting ill-starred operations at the forlorn Ministry of Information.

CANADIAN LUMBER

THE Dominion is one of the leading sources of the world supply of lumber and timber; its imports are relatively small. Douglas fir and spruce are the two leading kinds of lumber exported. The imports are for the most part woods not grown in Canada.



INDISPENSABLE to any gun are the sights. At the Small Arms factory, Enfield, Eng., workmen are shown assembling the sights on the Bren gun.

Oil and Oil Men in Western Canada

BY T. E. KEYES

AS THIS is written the Royalty No. 43 well located in North Turner Valley in the area of the Home-Millerville No. 2 and Model wells, is on government test. Royalty officials say it is a very good well and unofficial reports from the field suggest that it may be equally as good as the Home No. 2, which is the largest well in the field.

Last week, Alberta Oil Income No. 2 well was spudded in. It is located in L.S.D. 4, Sec. 4, Twp. 21, Rge. 3, W. of the 5th., or about three and one-half miles northwest of the Home No. 2 well. It is a very important test well and should it be a producer, it will extend the field a further 3½ miles to the north.

Other new wells recently spudded in are Calmont-Northwest No. 7, Northwest-Hudson's Bay 3, and Pacific Petroleum No. 4.

Reports from the Lloydminster-Vermilion area say the Thorn-Franco interests, which have just completed a large gas producer at the Franco-Vermilion No. 1, have let a contract to J. L. Wilson to drill another well in the vicinity of the Franco-Battleview No. 1 well which is also a gas well. The new well will be located north of this well.

The Franco-Shaw No. 3 well located on the Saskatchewan side of the line at Lloydminster is drilling below 1,630 feet and should be completed by the time this issue of SATURDAY NIGHT reaches you. It encountered a gas flow at 1,480 feet, estimated at 250,000 cubic feet. The oil-producing horizon is expected at around 1,800 feet.

The Lloydminster Royalties Well and the Shaw No. 2, crude producers, are now on steady production and appear to have solved the sand problem which interfered with the pumps.

The Grease Creek well is drilling below 6,100 feet, and officials are hoping that the lime will be contacted at around 6,500 feet. This well along with National Pete Waite Valley No. 3, is considered one of the several important wildcat tests, and both should be completed early in the New Year.

The Standard of B.C. Steeville test is drilling around 3,700 feet, over 400 feet in the lime. Good gas and oil showings have been encountered in this well, and so far there has been no sign of water, which is a very favorable sign. The wells drilled by the

Anglo Canadian-Petroleum investments, in this area encountered water along with oil and gas at the top of the lime contact.

As this is written, the E. L. Cord-Delaney interests are testing their Spring Coulee well which is located in the Cardston area twenty miles north of the Montana boundary line. Mr. Edward Delaney was in Calgary last week, and he says this area is a favorable one to prospect in, and that the results obtained to date by he and his associates would warrant further development.

Last week the Home No. 4 well, located south of the Home No. 2 producer, encountered the lime at 7,845 feet. This is about 200 feet shallower than the No. 2 well. It will be completed early in January. The Home No. 3 is also due to reach the lime very shortly.

The Foothills Oil & Gas Co. Ltd. (a Royalty Subsidiary) have announced locations for their Nos. 5 & 6 wells and expect to spud in No. 6 within the next few days.

The Roxana Oils Co. Ltd. statement for the fiscal year ending December

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31, 1938, was released last week. In his report to shareholders, President J. C. Dallas said that shortly after the close of the fiscal year, 100,000 treasury shares were sold for \$50,000 cash and an option granted on a further 300,000 shares. This money is being used to complete the company's Kootenay Dome well presently drilling below 6,050 feet, having been deepened from 3,922 feet.

current against current liabilities of \$208. The authorized capital is 1,500,000 shares of which 1,044,453 were issued as at December 31, 1938. Since this date a further 100,000 shares were sold to the public and as at October 31, 1939, the audited statement shows current assets of \$21,208 including cash in bank \$18,266 as against current liabilities of \$2,437.

During the year under review the company sold to Brown interests 3,000 acres on the Jumping Pound structure for a substantial cash consideration, retaining a 5% royalty interest on the acreage sold and 4,800 acres on this structure. Drilling of a test well by the Brown interests was discontinued at 6,885 feet due to faulting. The company holds 800 acres of leases in North Turner Valley, located north of the Home No. 2 well, and 3,800 acres on the Grease Creek structure presently being tested by Imperial Oil and Grease Creek Petroleum. Altogether the company now holds leases on four structures to a total of 17,960 acres, Mr. Dallas said.

During the year, the company disposed of its interest in the south half of L.S.D. 12, Sec. 32, Twp. 18, Rge. 2, W. of the 5th for \$9,250 cash and a further sum out of production.

Administrative costs were kept to a minimum, the only remuneration being to the secretary-treasurer, Mr. Dallas said. The financial statement for the year under review shows total assets of \$204,897 or which \$10,807 is

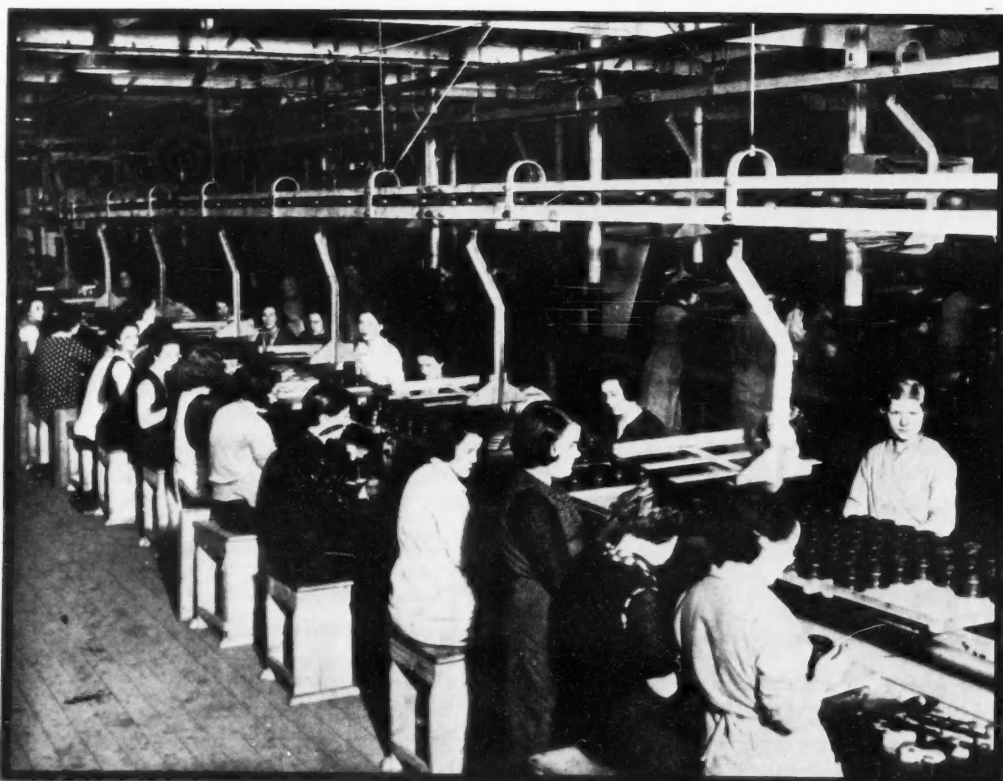


D. A. Y. MERRICK, who has been appointed a supervisor of branches at the head office of the Bank of Nova Scotia. For the past eight years Mr. Merrick has been manager of the main branch in Toronto, and is succeeded by Allan L. Woodrow, formerly manager at Hamilton.

**"How far that little candle throws its beams!
"So shines a good deed in a naughty world."**

—Merchant of Venice

**Season's Greetings
THE BOILER INSPECTION
and
INSURANCE COMPANY
of Canada
TORONTO • MONTREAL • WINNIPEG**



GAS MASKS, grim necessity in the present war, are made in the government factory at Blackburn, Eng. When in full operation, the factory will turn out half a million gas masks each week for the civilian population, and it is expected that more than 30,000,000 will be manufactured and distributed to all parts of the country.

SATURDAY NIGHT

PEOPLE

TRAVEL

FASHION

HOMES

THE ARTS

TORONTO, CANADA, DECEMBER 23, 1939

Gala Attire for a Festive Salute to the New Year



ABOVE, LEFT TO RIGHT:

The black velvet frock makes the most of slender lines, while the short wrap supports an extravagant border of fox which also forms a face-framing collar.

She shall have music wherever she goes in this frock especially designed for the dance by Patou. It's of blue satin and the very full skirt flares out from a sternly corseted midriff.

Satin and lamé for a sophisticated dinner frock which bears the label of Jacques Heim. Its pencil-slim lines are unbroken except for a flighty bustle.

BELOW, LEFT TO RIGHT:

Stiff white satin billowing in large sculptured folds at the back of the skirt needs no other adornment to emphasize its simple beauty. By Jacques Heim.

Lucile Paray and Jenny collaborated in the design of the evening ensemble in pale blue-grey duvetine trimmed with fox dyed to match. Gold leather appliques adorn the quilted sleeves.

Fullness repeating that at the waist, is cleverly introduced in tiers throughout the skirt of a dress in fluid black satin. A Jacques Heim model.

—Photographs by Doreyne, Paris.



MUSICAL EVENTS

Seating the Orchestra

BY HECTOR CHARLESWORTH

WHEN Barbirolli recently visited Canadian cities with the New York Philharmonic Symphony Orchestra, Spectators noted that its groups were seated in the traditional manner established by leading conductors of the 19th century, a set up considerably modified by many modern conductors. Under the system adopted well beyond half a century ago in America, by such historical organizations as the Boston Symphony Orchestra and the New York Philharmonic, first violins are placed to the right of the conductor with the violoncellos beside them; second violins sit to the right of the conductor with the violas beside them. This is the seating used by John Barbirolli. Considerable latitude has always prevailed in connection with the double basses, sometimes placed directly in the rear but usually at one side or the other. The aim is to keep them at some distance from the cellos, possibly to ensure balance on tonal effect, although a century ago cellos and basses used to be herded together.

When he first became conductor of the Philadelphia Orchestra over twenty years ago, Leopold Stokowski made an innovation since widely adopted by other conductors, by which the choir of cellos was placed directly at the right hand of the podium, alongside the violas; first and second violins were seated in one mass at the left side of the stage. This is the system used ordinarily by Dr. Kindler with the National Orchestra of Washington, and by Sir Ernest MacMillan with the Toronto Symphony Orchestra. On the visits as guest conductor to Toronto of the renowned European orchestral director, Dr. Heinz Unger, it was noted that he redistributed the orchestra on 19th century lines.

Stokowski, who is filling a series of guest appearances with his old organization at Philadelphia, has adopted another radical change, whereby the woodwind is massed directly in front of the conductor with brass behind them, the string sections forming wings. He claims that a better tonal effect will be produced, but it is doubtful whether other conductors will follow him so far.

While in Canada Mr. Barbirolli gave an interview championing the historic system and intimating that the seating plan that was good enough for such great conductors as Arthur Nikisch and Anton Seidl was good enough for him.

It may be said that Stokowski's plan for bringing the wind choirs more prominently into the picture is not entirely new. When in 1912 Josef Stransky, on tour with the New York Philharmonic, played the César Franck Symphony for the first time in Toronto, he brought the French horns and certain woodwind instruments to the front of the platform for this work only. He did so because César Franck, originally an organist, instinctively devised many lovely figures for wind in scoring his Symphony. The innovation in this special instance produced results that were singularly beautiful, the more so because the personnel of the Philharmonic at that time included the world's finest horn player, Xavier Rieter.

It is important to note that in orchestral broadcasts from radio studios the seating of musicians is entirely different from that of the concert platform, being conditioned by the sensitiveness of microphones in a confined space of limited dimensions.

Children's Conductor

The passing of few musicians has been more regretted than that of Ernest Henry Schelling, who until his health broke down a year ago was heard all over America, on Saturday mornings during the regular season, as conductor of the children's concerts of the New York Philharmonic. By the relays of New York school children who attended these concerts in Carnegie Hall he was much beloved, and he was known to them as "Uncle Ernest." He was a pioneer in this field, and prior to becoming a radio personality had conducted children's symphonic concerts in New York, Philadelphia and Los Angeles. His career, so charming in recent years was a lifelong battle with ill-health, barring which handicap he would probably have become one of the world's most eminent pianists.

Ernest Henry Schelling was born at Belvedere, N.J., not far from Philadelphia, in 1876. He was a child prodigy and made his first public appearance in the latter city at the age of 4. At 8 he was sent abroad for study and admitted to the Paris Conservatoire. At 10 he went to Vienna to study with the renowned Leschetizky. Shortly afterward Brahms heard him play and was deeply impressed with his musical genius, but warned the elder Schelling that his boy's health was in danger. The great composer's foresight proved correct, for at 16 he was assailed by neuritis and compelled to return to America. For some years he supported himself as a piano teacher in Philadelphia. His health gradually improved and in the early nineties he played for Paderewski. The latter was so impressed with Schelling's musical gifts that he invited him to come with him to Switzerland and resume his studies. Before the world war he had gained celebrity as a

virtuoso but after a few years fell a victim to his old malady. Twenty years ago his hopes were finally crushed by injuries sustained in a motor accident in Switzerland. He then turned to composition and conducting. One of his orchestral works, "A Victory Ball," not very remarkable, but original in plan, was played by Reginald Stewart with the "Proms" Orchestra in the summer of 1937. At last he found his real vocation as a conductor for children. In later years he was also conductor of the Baltimore Symphony Orchestra, dividing his winters between that city and New York.

Recital and Concert

Lloyd Boleyn, an English bass-baritone who is a collateral descendant of the ill-fated Queen Anne Boleyn, has recently come to Canada. Last week he gave a recital at the Heliconian Club, Toronto, with Marjorie Daines at the piano. His voice is of fine quality, admirable range and beautifully controlled. His mezza voce singing was a special delight, and his interpretations have a tasteful emotional quality. A number which seemed to move listeners profoundly was Moussorgsky's "Evening Prayer of a Child." Another notable offering was Schubert's "Wanderer." The program was a varied one and Mr. Boleyn showed his operatic accomplishment in the celebrated "Il Balen" from Verdi's "Trovatore." The great violinist Jascha Heifetz and the Cleveland Symphony Orchestra under Arthur Rodzinski recently presented the world premiere of a new violin concerto by the brilliant English composer, Walton, whose "Facade" and "Belshazzar's Feast" are well known to Canadian audiences. He commenced the concerto, which is dedicated to Heifetz, three years ago and finished it last June. It is marked by rare invention, rhythmical variety and profound knowledge of the orchestral medium. Walton, 37 years old, is now serving as a stretcher-bearer with the British Army in France.

One of the sins of music critics, to which the writer must occasionally plead guilty, is that too frequently in an endeavor to say much within limited space about a celebrated artist, the accompanist is overlooked. Truth to tell the accompanist often does more to sustain the quality and interest of a recital than the public realizes; though by custom he is kept modestly in the background. Often he (or she) gives a flawless and expressive rendering of music absolutely new to him. A case in point was the recent appearance of Leo Barkin at Massey Hall with Enya Conzalez. Her program was almost entirely composed of novelties by modern Spanish and Italian composers, colorful and difficult music in which inefficient accompaniment would have been fatal. On a few hours' notice Mr. Barkin gave a masterly performance.

When James Robertson, the new conductor of the Winnipeg Philharmonic Choir, produces "The Canterbury Pilgrims" by Dr. George Dyson next March the tenor solos will be sung by Stewart Wilson who sang them in the original production in England some years ago. Mr. Wilson is now in America and a member of the staff of the Curtis Institute at Philadelphia. "The Canterbury Pilgrims" has been sung but once previously in Canada, by the Bach Choir of Vancouver two or three seasons ago.

Amy Fleming, the gifted young contralto who made a successful appearance in Sir Ernest MacMillan's recent



DANCE EXTRAVAGANZA. A scene from "Spins and Sparks" which will be presented by the Boris Volkoff Ballet at Massey Hall on Friday evening, December 29, and the afternoon of New Year's Day. The young ladies in the picture are Joan Hutchinson, Laurie Dacuk, Patricia Drylie.

—Photo by Randolph Macdonald.

presentation of Beethoven's Ninth Symphony, is a New Westminster girl. Her engagement for this work aroused much interest on the Pacific Coast where many listeners tuned in to hear the performance.

On the outbreak of the war it was practically decided to abandon the British Columbia Musical Competition Festival scheduled for next spring. After re-considering the matter the Knights of Pythias, who in the past have generously sponsored this event, have decided to carry on as usual. The same eminent board of British adjudicators which will serve at other provincial festivals will officiate.

The distinguished French musician, M. Poirton of Paris, originally engaged as adjudicator of French choral classes at the Quebec Musical Festival

next March, cannot cross the ocean because of the war. His place will be taken by Dr. Montreuil, a French-Canadian musician who is conductor of the Pius X Choir of New York. He was educated in Paris and for some years has resided in the United States, where he is a renowned authority on the Gregorian chant.

Reginald Stewart, the widely known Toronto pianist and conductor, was last week's guest director at Les Concerts Symphoniques de Montreal.

The Ottawa Motet Singers, who devote themselves to the more beautiful examples of ancient music, recently appeared in Montreal at a concert organized by the well-known choir master Arthur Egerton, and sang sacred works by Byrd, Gibbons, Calvisius and others.

FILM PARADE

Pre-Christmas Week

BY MARY LOWREY ROSS

MOVIE-GOERS this week had the opportunity of chatting with Kute Kriss Kringle (three inches high) in the theatre lobby, as well as watching beautiful Loretta Young (thirty feet high) on the screen. The Saint himself was undoubtedly cute, or even kute; a real live Santa Claus scaled down to thumb-size and waving and smiling from the half-passage way of his half-timbered English doll's house. You could even talk to him through a telephone attached to the front door, and a crowd of movie-matrons was lined up waiting their turn to say Merry Christmas, and please don't forget those Cluny table-mats. Probably they got round to Loretta later.

There wasn't unfortunately any way of communicating with Miss Young. If there had been we could have told her not to waste her time and ours on that oafish business executive, (Broderick Crawford), with fascinating David Niven in the offing. As it was there was nothing much to do but sit back for the last half hour and figure out some way of conveying suitable Christmas greetings to Cousin Felix without going above fifty cents; the screen, meanwhile, occupying itself with figuring out suitable ways of showing that Miss Young's second marriage wasn't consummated, without offending the censor.

A lot of the advance publicity in "Eternally Yours" had to do with the row made by the professional magicians of America over the film's exposure of trade secrets. This I may

say was so much eye-wash. About the only trade-secret given away in "Eternally Yours" was that The Great Arturo (David Niven) had a specially built pocket in his tails for concealing white bunnies; something I had suspected from my first parlor magic show at the skeptical age of six. Nothing here certainly to put the magicians of America in the bread-line. "Eternally Yours" doesn't attempt to show how The Great Arturo produced Miss Young from a lot of chemicals boiled up in a large retort over a bunsen burner. He does, though, and very lovely she looks. In fact Miss Young is quite good-looking enough throughout to make up for any lack of other special magic. Her clothes, needless to say, are superlative. There was one lounge ensemble of quilted satin-monkey jacket and wrap-around skirt, simply fastened with one great big beautiful safety-pin—that almost had me rushing out to the lobby to telephone Kute Kriss Kringle myself. Drop everything, Santa Claus, and take a look at the show. That's what I want in my Christmas stocking.

The first two-thirds of "Eternally Yours" is lively and bright, and thanks to Loretta Young and her clothes, soothing to the eye. On the whole it's everything we could ask for in pre-Christmas entertainment, when all we really need is a chance to come in and take a weight off our feet. Taken with the novelty Santa Claus, it left everyone cheerful, well-disposed, and ready to face the department stores once more. Merry Christmas everybody, and may you all find something as beautiful as Loretta Young in your Christmas stocking.

That Nice Mrs. Chips

"Remember?" has a not-to-be-opened-till-the-last-minute surprise for the final twenty minutes. If you arrive early the ushers won't let you into the show, but keep you safe in the lobby so you won't spoil the surprise for yourself. No tearing off of wrappings before the proper time if M-G-M can prevent it. The precaution is justified, since "Remember?" won't make sense unless you see it from the beginning. It doesn't as a matter of fact make very good sense even if you arrive in time for the credit-lists, but it's amusing and pleasant, and any lags in the action can be taken up by a study of the clothes—Greer Garson's this time.

Greer Garson is that nice girl with the charming voice and sympathetic smile who played Mrs. Chips in "Good-bye Mr. Chips." She's a scatterbrained piece here, who gets engaged to one young man (Lew Ayres) on board ship, switches to Robert Taylor next day over a luncheon date, pops into an office of a justice of the peace to get married, pops into a lawyer's office a few weeks later to get divorced, etc., etc.; altogether a characterization I found difficult in following because I kept thinking of her all the time as that nice Mrs. Chips. Which probably goes to show that it's audiences, rather than directors, who insist on type-casting. I've heard several people, for instance, complain about that famous Garbo laugh in "Ninotchka." They said it made her seem unnatural; meaning, of course, unnatural to them.



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School Boy Affair

On the heels of the Graf Spee incident, the distributors are hurriedly bringing forward "Torpedo Destroyer" (née "Born for Glory"). This picture, which was made several years ago, dwells on the gallantry and common humanity of both German and English fighters—a point of view which alone would serve to date it. The story itself is a school-boy affair, but the scenes of naval warfare, all of them spectacular, give it a topical interest.

COMING EVENTS

HERALDED as one of the most elaborate dance productions of the season "Spins and Sparks" will mark the second engagement at Massey Hall of the famed Boris Volkoff Ballet which gained such international reputation after its high-ranking participation in the Olympics Dance Festival in Berlin a few years ago. The Board of Trustees of Massey Hall will present the Boris Volkoff Ballet in "Spins and Sparks" for two performances—one on the evening of Friday, December 29th; the other on the afternoon of New Year's Day.

Boris Volkoff, who was trained at the State Ballet School of Russia, became premier character dancer in Michael Mordkin's Ballet. He toured Russia, China, India, Burma, Malaya, and Japan. Unsuspecting to the changed Russia which followed the Revolution, he came to Toronto in 1930 by way of Honolulu and Chicago. Soon after his arrival in Toronto, he established a School of Ballet to develop a company composed of Canadian dancers. His chief ambition is to develop a permanent Canadian Ballet; that goal is nearing fulfillment.

With the Board of Trustees of Massey Hall attempting in every way to encourage and develop native cultural forms, the Volkoff Ballet gave its first performance in Toronto as a ballet company last May. The performances on Friday evening, December 29th., and on the afternoon of New Year's Day, coupled with the excellent box-office response which has already followed

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the announcement, indicates that the faith of the Board of Trustees of Massey Hall is now shared more than ever by devotees of the dance, not only in Toronto but in many out-of-town centres.

THE BOOKSHELF

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Javanese Fairy Tale

BY KENNETH MILLAR

ILLUSION IN JAVA, by Gene Fowler. Macmillan. \$2.75.

THE versatile and astonishing Gene Fowler went to Java on a vacation from scenario-writing in Hollywood. In this most valuable and populous of the Dutch islands in the East, he learned many things. If a Javanese is touched on the forehead he "loses face," and, to regain his honor, he must declare an *amok*, must "raise his kris against the world." There are great musicians in Java, who play with long hammers on the fourteen silver pots of the *bonan*. He learned that the wise yet childlike legends of the Javanese had not yet been exploited by writers from the West. And from his new love and knowledge of Java, Mr. Fowler wrote a novel.

"Illusion in Java" is a charming fairy-tale, which is at the same time an allegory on the life of the artist. The hero is Ajoks, a farmer's son of the village of Rindi, who, though he cannot read or write, is a great musical genius. He can play on his *bonan* (a Javanese instrument something like a xylophone), of the triumph of Life over Death so that the young thing of love and the old thing of wasted years. Ajoks has a "little mouse" who loves him. But her father is a moneylender and an enemy of Ajoks's father, and Ajoks has not the means to buy her as his wife. He leaves the village of Rindi to seek his

fortune, and crosses the great bamboo bridge into the wide world.

At the town of Senang he struck the great bell so that a "meteor of sound fell upon the night," and the head-man begged him to stay forever. But Ajoks went on to the royal town of Britar, where he was acclaimed a master of the long hammers by the Regent, and to Surabaya, where he tasted the bitterness of an unworthy love. Returning in a gilded coach to Rindi to renew his contact with the earth, he met an aged saint who cast the gold the Regent had given Ajoks into a river. Ajoks took off his silks and returned to Rindi in a loin-cloth, on foot, in time to save his "little mouse" and the villagers (all but his enemies) from the boiling mud of the mud-volcano Tengga. The story is as old as the hills, but it is as beautiful as the hills when a storyteller like Gene Fowler tells it. Even he, however, need not have told it so long.

One wonders whether the Javanese really speak so tenderly and comically and beautifully, or whether Mr. Fowler, like Sygne or Loti, has created a language for them. One wonders if the book marks a reaction against that Hollywood from which Mr. Fowler derives large amounts of money. But the slow singing movement of the book, impersonal like music, makes such questions seem irrelevant.

Vikings in Algoma

BY HECTOR CHARLESWORTH

HERE WAS VINLAND, by James W. Curran. Star Publishing Co., Sault Ste. Marie, Ont. \$4.

MR. CURRAN, author of this book, one of the most widely known of Canadian editors, has in this book summarized all extant evidence with reference to the penetration of the northern inland of America by Norse or Icelandic adventurers. Historically this penetration must have taken place at least 450 years before the first voyage of Columbus.

It has long been known from the Norse sagas that Viking voyagers sometime about 1000 A.D., after establishing themselves in Greenland, visited the mainland of North America, and spent some time in a region described as "Vinland," because wine was produced there. Until recently it was assumed that it must have been a land of grape-vines, and from this was deduced the further assumption that "Vinland" was probably on the coast of Maine where wild grapes used to be plentiful. In his recent book on Iceland, the international authority Stefansson, reveals the fallacy of this assumption, by showing that the original text of the sagas merely indicated "wine-berries." Every pioneer housewife was aware wine could be made from any kind of berries. That being granted, "Vinland" may have been located in almost any part of the Labrador or Hudson Bay areas.

The purpose of Mr. Curran's book is to show that "Vinland" lay in Northern Ontario in the Lake Nipigon region. Convincing proof of this theory was provided by the discovery of authentic Viking remains in the form of a sword and other armament, near Beardmore, 127 miles east of Port Arthur on the Canadian National Railway. The discovery was made by a prospector named James Edward Dodd in 1930. Though he collected and carried away the remains to Port Arthur, Dodd thought so little about them that it was several years before the find was revealed to the public, and then only at the instance of Dr. E. M. Burwash of the Bureau of Mines, an old teacher of Dodd's. At Dr. Burwash's suggestion Dr. C. T. Curdell of the Royal Ontario Museum was communicated with and after a most careful and exhaustive investigation satisfied himself of the authenticity of the remains; that they dated circa 1000 A.D. and that unquestionably they had lain for centuries on the spot where Dodd found them. Beyond a shadow of doubt Norsemen penetrated as far inland as Lake Nipigon over 900 years ago.

Mr. Curran's contribution to the investigation, originally published in a series of articles in the Sault Ste. Marie "Star," has been in the collec-

tion of collateral and circumstantial evidence that covers a very wide field. While the Beardmore discovery is the most important and most conclusive, there have been, since 1871, a considerable number of similar finds in the region of Lake Superior, not only in Canada but in Minnesota, Wisconsin and Michigan. Some have been disputed but still constitute a host of silent witnesses. Many of them are photographically reproduced in this book.

Mr. Curran was not content with speculating on the archeological aspects of the problem. As an old canoeist and woodsman he is familiar with the Hudson's Bay watershed, and by personal experience shows how easy it would have been for a Norse party reaching James Bay from Greenland to travel by waterways still existing to Lake Nipigon. Most striking of all his collateral evidence is his linguistic investigation of ancient Cree words, which indicate that a knowledge of white men and wooden ships existed in the Hudson's Bay Indians long before the arrival of French and English fur-traders. He also canvasses the possibility of an early white intermixture in Indian tribes. Strangely enough the theory of such an intermixture goes back to the great French explorer, Pierre La Verendrye, who nearly 200 years ago discovered the Mandan tribe in the Dakotas, which he was convinced sprang from a race superior to the Indians. The greatest of French voyageurs knew nothing of the Norse records of "Vinland," but in 1749 at Quebec told the Swedish naturalist, Peter Kalm, of his views with regard to the Mandans, long since dispersed.

Altogether Mr. Curran makes out a magnificent case for the belief that Northern Ontario was "Vinland."

Cardiff, Circa 1900

BY LOU GOLDEN

HEAVEN LIES ABOUT US, by Howard Spring. Macmillan. \$1.65.

WHEN a best-seller is written in interest in the author rises to sufficient heights to make editors ask for personality sketches of the new star. Howard Spring instead of passing the material of his life to others writes about himself. The result here is a short book by the author of "O Absalom."

Born in Cardiff before the Boer War, the son of an odd-job gardener who rarely in all his life earned more than a pound a week, Howard Spring had no easy time of life. There were nine children, all of whom had to leave school at an early age. There was desperate poverty, poor sur-



MAURICE N. EISENDRATH, author of "The Never Failing Stream."

roundings, hard work and a continuous struggle for a schooling.

His father's contribution to the literary life of the family was to "read *The Pilgrim's Progress* and *Robinson Crusoe*, and many another good book, because my father abhorred rubbish. He would read a little; then one by one, the children would take their turns. If we mispronounced a word once, he would correct us irritably; if twice, he would clout us across the head. So we became acquainted with wholesome English."

The author's mother to help the family budget was a charwoman when the children were at school. When the children were home she continued her work by doing the washing for those who lived in the "better" districts. She was strong, realistic, never complained. She simply worked to provide for her family. Even when it became unnecessary for her to do outside work or even her own housework she still continued. Breaking out of a rut of a lifetime of gruelling work was not easy.

Errand boy for a butcher, office boy, work in a newspaper office, shorthand study and then newspaper reporting were the steps upward for Howard Spring. Meanwhile he went to night school, took extension courses from London University, studied between assignments, wrote examinations. He began to write independently. A novel that was not accepted, then short stories that were. So author Spring climbed into the life of a writer.

Unemployment was never a problem for the author. "I have never in my life sought jobs. I have always been pushed into them or lured into them." It seems that despite everything in those days if one wanted to work there was never any difficulty in finding it.

Cardiff slum districts were depressing, but not to Mr. Spring. There is no bitterness in his writing of it here. All the slum figures amongst whom his family lived are treated gently, sympathetically. Harshness is glossed over.

This tale of a small boy, written from a cosy distance, is interesting reading. One wonders what the author would have been like if he had had the normal surroundings of the average Canadian schoolboy?

The book is illustrated by Gill-Lancaster.

Vibrant Sermons

BY CLARIS EDWIN SILCOX

THE NEVER FAILING STREAM, by Maurice N. Eisendrath. Macmillan. \$2.50.

TEN years ago, Rabbi Maurice Eisendrath came to Toronto from West Virginia and assumed the leadership of the congregation of Holy Blossom Temple, a position of prominence in Canadian Jewry. These ten years have been grave years for humanity at large, and in particular for World Jewry. Rabbi Eisendrath has had to strengthen the morale of his own people, defend the Jew before the Christian and interpret the Gentile world to the Jew. His has been a most difficult ministry, but he has achieved it, and further, despite these hectic times, has built a new Temple which is a real addition to Toronto's many buildings of architectural distinction.

This volume of addresses delivered at the Temple and elsewhere, is published at the opportunity of many of his friends to mark the tenth anniversary of his arrival in Toronto and contains a short but commendatory preface by the distinguished English novelist, Phyllis Bottome. Some of the addresses have already appeared in pamphlet form, but they are worthy of more careful preservation in such a volume. They deal with a variety of themes but all of them are vibrant with reality and reveal a profound interest in the persistent value of genuine religious faith. They interpret the contemporary events of our fitful years, "sub specie aeternitatis," thus adhering to the great tradition of the Jewish prophets. The style at times is that of the spoken rather than the written word, and in some of the more rhetorical passages the reader may at times lose track of the "nominative" as the listener never would.

The first address, "Where Jew and Christian Meet," is, from the homiletical point of view, structurally excellent, while that entitled, "If Jesus Had Not Come" is a rare beautiful tribute offered by the Synagogue to the Church.

The criticism is sometimes made that in general, sermons are very ephemeral. Perhaps the greatest

preaching betrays few indications of its rootage in contemporaneities as in Pope Leo's great sermon for Ascensiontide. But contemporary events do often give reality to great exhortations which expository preaching seldom attains, and all preachers would do well to study the art of the real journalist who begins where people live and leads them to the areas of thinking where they should live. The proper place for a text, if a text is necessary, is at the end of the sermon, not at the beginning, to hammer home the ultimate and final truth and not as a mere excuse for exegetical embroidery. Let the reader of "The Never Failing Stream," who may think that Rabbi Eisendrath does not use texts, read the Scripture passages before each address and discover their appropriateness, especially the translation of Jeremiah Xv : 9 and the Song of Songs II : 7, which preface the remarkable address on "Children By Chance or Choice?"

The volume is a real addition to the annals of Canadian preaching and to the literature which, in a genuinely ecumenical way, interprets to Jew and Christian the deeper spiritual significance of the bitter days through which not Jewry alone but the whole world is passing.

The Crime Calendar

BY J. V. McAREE

WHERE has Josephine Bell been all our life? She is the English author of five detective stories and it was the fifth that fell first into our hands a few days ago. This was "From Natural Causes" (Longmans, Green, \$2) and it turned out to be the best story we had read in 1939. A day or two later we read her "Fall Over Cliff" published at the same price by the same firm and found it just as good. Some readers might find it even more enjoyable, since it lacked some medical and chemical technicalities which might have bored them in "From Natural Causes," though did not bore us. Miss Bell writes smoothly, has a keen eye for characters and is something more than a mere detective story writer. She is a novelist who is interested in crime, and an extremely competent one with a nice sense of humor and an extremely logical mind. In neither of these admirable stories did she make the slightest demand upon our credulity. There are some pedants who might object that Miss Bell performs her sleight-of-hand with only two or at the most three peas. She does not work with half a dozen suspects but with no more than three. It is therefore not too difficult to anticipate her denouements. But the end of "Fall Over Cliff" comes with the same impact as the end of Aldous Huxley's incomparable short story, "The Giacoma Smile." . . . Having enjoyed "From Natural Causes" so much it would seem that the next detective story we read would be on a spot. It had to be exceptionally good to hold our interest, and so it turned out. "A Coffin for Demetrius" by Eric Ambler (Ryerson, \$2.25) is just as good. It is, in fact, flawless and if we are to regard it as a thriller rather than a straight detective story we say it is as good as "No Other Tiger" by A. E. W. Mason, which is the best we ever read. It is the story of a professional writer of detective fiction who finds himself interested

in a real murderer and tries to trace his mysterious history through Central Europe. We get a glimpse of the white slave traffic and of the smuggling of narcotics and political assassination. In fact, we have the familiar stage properties, including the international spy, but handled by a master who the publishers tell us is only 30 years old. We have no hesitation in saying that the books noted above are the best we have come across this year and will take their rank with such masterpieces as "Malice Aforethought" by Francis Iles and "The Maltese Falcon" by Dashiell Hammett.

SOME years ago an English reviewer of detective stories wondered whether, and if so to what extent, a reader's pleasure in a good story was marred by a bad ending. We offered the suggestion that it would be with the reader just about as it would be with a man who had enjoyed a good cup of coffee and found a mouse at the bottom of the cup. Apparently anybody can make a good start on a detective story. In other words, anybody can set a problem, and few can give a solution that does not outrage common sense. A detective story, it seems to us, more than any other art form with which we are acquainted, is to be judged by the ending, or by the smoothness with which the elucidation meshes with the criminal puzzle. There are, however, some stories so good in themselves that a weak and inconclusive ending does not wholly destroy their value. One of them which we have read recently is "Exit John Horton," by Jefferson Farjeon (Collins, \$2). The plot is original, the characters well-drawn, the action plausible, the deduction of a high order, and perhaps it will remain a difference of opinion whether the end in this case crowned all. We recommend it even to those who have the same idea about the ending of a detective story as we. . . . Another exciting book is "Dangerous Curves," by Peter Cheney (Collins, \$2). It belongs to the hard-boiled English school, and we suppose the author is entitled to be regarded as the English Dashiell Hammett or Jonathan Latimer. . . . As long as the stories about Thatcher Colt showed him operating at the head of the New York Police force they were among the best, for the author is evidently intimately acquainted with the methods of this force. In "The Creeps," by Anthony Abbott (Oxford, \$2.25), he is retired and stumbles on a murder mystery when visiting friends on the New England Coast on Thanksgiving. Under his own power he is not quite so impressive and the book is only mentioned because we always find the Colonel and Tony Abbott, his secretary and biographer, pleasant company.



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BIKING COMES BACK! With Royal Palms overhead and a bright Florida sun to furnish a tan it's a pleasant way to keep in trim. These West Palm Beach girls stage regular cycling parties in spots like this one at Bethesda park on the lakefront.—Photo courtesy City of West Palm Beach.

PORTS OF CALL

Palm Beach Prepares for Visitors

BY ART KEIL

WITH the greatest number of visitors in history planning Florida vacations this winter, West Palm Beach is expanding its entire resort program to meet the demands of the times, according to Mayor Ernest Metcalf.

Hotel and apartment operators, while handling more requests for advance reservations than any previous year, have followed their custom of publishing a list of guaranteed rates. Established more than a month ago, the schedule will be maintained throughout the winter season, according to officials of the West Palm Beach Chamber of Commerce.

Recreation and entertainment facilities of the city have been expanded to care for many additional visitors and private clubs are arranging more elaborate spectator sports.

Rentals on private homes will be on the same scale as last year, with all equipment furnished, according to real estate men, and the supply will far exceed that of the 1938-39 season. Construction of more than 500 new homes during the past summer will provide more apartment space for visitors as well as additional home space.

Improving and advancing their transportation facilities into the West Palm Beach area of the Lower East Coast, several companies are basing plans on a decided increase in seasonal business. Railroads started their winter schedules and their deluxe trains weeks early and both the Seaboard Airline and Florida East Coast lines are providing daily streamliner service for the first time. Eastern Air Lines has stepped up its extra-section service by a month and will again run the Palm Beach Flyer on limited service from Newark to Morrison Field. Florida Motor Lines has purchased several new air-con-

ditioned buses and looks for continuation of its November increase of more than 30 per cent over last year.

While the much discussed four-lane highway from Jacksonville to Miami has only been started, several sections of U.S. No. 1 have been improved. Completion of a \$200,000 overpass at the F. E. C. railroad here will give motorists using the Fort Myers-West

vegetable farms of the Upper Everglades, and is expected to care for a goodly share of the traffic between the two Florida Coasts.

One major change in the West Palm Beach schedule of winter events has been made. The Sixth Annual Silver Sailfish Derby has been moved up and will start its three-week run January 14, continuing until Febru-



IT'S A LONG WAY FROM CANADA to Florida, but not too far for these devotees of lawn bowling who spend their winters in America's tropics. Inter-city matches between teams representing various Southeast Florida cities enliven the season for these visitors. Introduced by Canadians, lawn bowling is fast becoming popular among Americans.

—Photo courtesy City of West Palm Beach.

Palm Beach cross state highway a direct connection with the Dixie highway for the first time in years. An improved highway now crosses the state just below Lake Okeechobee, traversing the "Sugar Bowl" and the winter

ary 4. With more than 2,500 anglers expected to take part in this major tournament, and with more than 100 private and charter cruisers to be entered, members of the Derby committee changed the date to avoid conflict with other major events in the state.

Headed by the famous Silver Sailfish Trophy given by Mrs. Henry R. Rea of Sewickly, Pa., and Palm Beach, for the longest Sailfish taken during the Derby, the awards include the trophy for the heaviest "Sail" given by Col. E. R. Bradley of Lexington, Ky., and Palm Beach; the Duval and Pfeuffer trophies. Ship-to-shore radio sets will be given the winning charter and private boat captains; the longest and heaviest fish will be mounted and presented the winners and more than two score daily awards will be given for the longest "Sails" taken each day of the event.

The South Florida Tennis championship, part of the winter circuit for the leading national amateurs, will be held tentatively during the week of January 23rd, according to officers of the West Palm Beach Tennis Club. The Everglades Club Invitational in Palm Beach has been scheduled for February.

West Palm Beach will be host to the national Shuffleboard Tournament, January 11-13, when expert teams from all sections of the country will be on hand. The South Florida Shuffleboard championships will be decided February 24th under the sanction of the state association.

The Winter Regatta

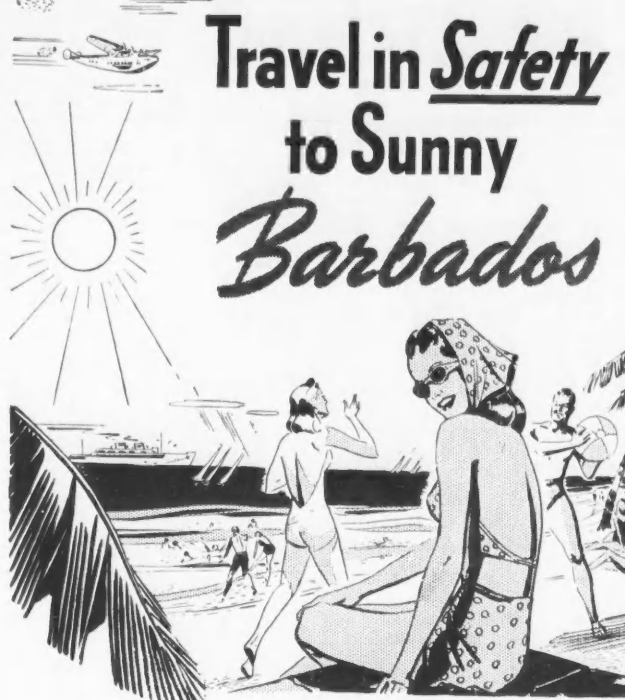
The annual Florida winter regatta circuit, attracting outstanding power boat speed kings, outboard demons and small sailboat skippers include the Washington's Birthday races under auspices of the Palm Beach Yacht Club. Two days have been allotted power boats and one for sailing craft.

In Flagler Park amphitheater, seating nearly 6,000 persons, a series



SUNSHINE, SAND AND THE SHIMMERING SEA spell health and happiness for these snow dodgers seeking pleasure on the sands warmed by the sun and bathing in the ocean kept warm by the Gulf Stream.

—Photo courtesy City of West Palm Beach.



Travel in *Safety* to Sunny Barbados

TRAVEL by sea or by air—but either way, in comfort and security. Regular steamship services are available as in previous years, as well as the neutral vessels of the American Republics and Royal Netherlands lines. From Miami (reached by rail, or in only 16 hours by air from Montreal) Pan American Airways fly to Barbados in 36 hours.

There's no better time than *now* to "get away from it all" for a week—or a winter—in this sun-blessed sanctuary in the British West Indies.

Here, your every quirk and mood is catered to. You can play golf or tennis... go motoring or riding or game fishing... or just relax and let the world go by as you soak up sunshine and ozone on the world's finest bathing beaches. And yet the favourable exchange rate enables you to live these golden days more cheaply than if you stayed home!

• For further information and booklet on Barbados, apply to your travel agent, or Canadian-West-Indian League, Sun Life Bldg., Montreal, or The Barbados Publicity Committee, Bridgetown, Barbados, B.W.I.

Barbados

BRITISH WEST INDIES

GOLF ON THE SOUTH'S BEST 18-HOLE COURSE
FOREST HILLS HOTEL
Average 337 Sunshiny Days Yearly
Weekly Guests Enjoy Horseback Riding Without Charge
Excellent Tennis—Quail Shooting—Skeet
Now Open
AUGUSTA, Georgia

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THE Windsor
ON DOMINION SQUARE
J. Alderic Raymond,
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Alma College
FOUNDED 1877
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Special Courses—A limited number of enrollments will be accepted for young ladies who desire a short course of studies aiming at specialization. Classes commence on January 10th and finish with the close of the school year in June.
MUSIC—Choice of piano, voice, violin, pipe-organ, theory, with special attention to musical appreciation and the works of the Masters. DIRECTOR: Gertrude Huntly Greene.
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Pupils will also be received in all forms of high school work. Write for complete information.
DR. F. S. DOBSON, M.A. (Oxon), Principal.
A RESIDENTIAL SCHOOL FOR GIRLS

of weekly variety programs, band and orchestra concerts are planned. Open Forum lectures will again be weekly events during the mid-winter and the All-States Society is planning an unusually active season highlighted by the annual South Florida Tourist festival late in February. The annual Kiwanis Benefit, with nationally known stage and screen stars; Roman Chorus with their patron, John Charles Thomas, noted opera star. A large fleet of charter fishing boats is at the docks and the parade of private cruisers and yachts from northern ports is already under way. Early estimates indicate the fishing fleet will number more than 135 craft ready for the daily trips to the Gulf Stream in search of Sailfish, Marlin and more than 600 varieties of deep sea fish.

Sixty-second anniversary of the wreck of the Spanish barque, "Providencia" with its load of coconuts will be observed January 9, when young coconut trees will be presented residents and winter visitors. Most of the 50,000 huge coconut trees now planted in West Palm Beach are said to have originated from the crop brought ashore from the "Providencia" and one of the original trees from one of the 17,000 "Providencia" coconuts is planted in a park named for the barque.

ABOUT FOOD

Will You Be In to Lunch?

BY JANET MARCH

"NO, my dear, I never lunch at home, and I don't allow George to," said a cheerful voice in the next circular seat. The youngest member of our party kneeled up and looked over to see whom it belonged to, and reported in a stage whisper that she had five little brown cats round her neck and a bracelet full of green diamonds. Obviously a lady who could afford so many cats, "All with faces and paws!", could also afford to call lightly to the cook—"Yes, I'll be home to lunch, just a little caviar and a broiler under glass," and not worry again, yet here she was happily munching her forty-cent special with the rest of us. It's a case where Judy O'Grady and the Colonel's lady both resent having to think up food for a meal which has so few rules of order. After all luncheon can be anything from a three-course dinner to "Just beer and bread and cheese, so nourishing, and so English, it makes me feel near to the mother country my dear!"

Christmas is upon us with children home from school and college, and the Father of the family, usually a

If your household hasn't been enjoying more chicken than usual lately they should have, because the price has been so very reasonable. If so, you will have home-made chicken soup, that excellent by-product. Have it made with some onion and bits of potato or spaghetti, and it will be more satisfying. If you can't provide the home-made sort there is a grand tinned soup called Chicken Gumbo. It is really one of the best efforts of the canner's art, and you should never be without it.

Eggs With Mushrooms

Put two tablespoons of butter in your earthenware casserole and let it melt, then add pepper, salt and half a cup of milk with a little cream. Stir well over a low heat, but don't let it quite boil. Add six peeled chopped mushrooms, medium sized ones. Let them simmer for twenty minutes, by which time the liquid will look like a grey sauce, and have thickened a bit. Break in four eggs and stir with a fork as for scrambled eggs, don't let the eggs stick and before they are quite cooked take them off the heat and keep on stirring. The heat of the casserole will finish the cooking.

You mayn't like the smell of Oka cheese, made by the Trappist monks at Oka between Montreal and Ottawa, but if you like cheese at all you can't help liking the pleasant mild flavor. The only difficulty is to keep it soft, and find a wrapper that retains the smell, so that you don't tour the kitchen at night wondering just where that mouse died.

Nowadays the baker provides very good rolls which have only to sit in the oven for ten minutes to become delicious eating.

Tomato and Mushroom Soup
Croutons

Salmon and Shrimp Pie

Apples in the Oven

Coffee

Tomato and Mushroom Soup

1/2 pound of mushrooms, minced
1 small green pepper, minced
1 pimento minced
1 small onion, minced
2 tablespoons of fat
2 cups of consommé, tinned or home-made
2 cups of tomato juice
1 teaspoon of Worcester Sauce
Salt and pepper.

Melt the fat in the frying pan, and when it has melted, add the vegetables, and fry them gently for about ten minutes. Put the consommé and the tomato juice together, and bring them to the boil. Then add to the vegetables, cover and let the mixture boil slowly for ten minutes. Add the seasonings with the addition of a dash of tabasco sauce if you like it.

The croutons are tiny squares of crustless bread fried in deep fat until they are golden brown. They are an extra in time, but add considerably to the style of the meal.

Salmon and Shrimp Pie

This is one of those good dishes which arose out of a domestic emergency. Two people to Sunday supper, and no food save what a varied collection of cans held. Necessity

Chicken Soup

Eggs with Mushrooms

Oka Cheese and Celery

Hot Rolls

Coffee



THE BISHOP HOLDS AN AUCTION. Rt. Rev. Arthur Winnington-Ingram retiring Bishop of London recently disposed of articles of furniture from Fulham Palace not required by his successor. Here a visitor examines an ancient "sermon glass" designed to time the lengthy discourses of former days.



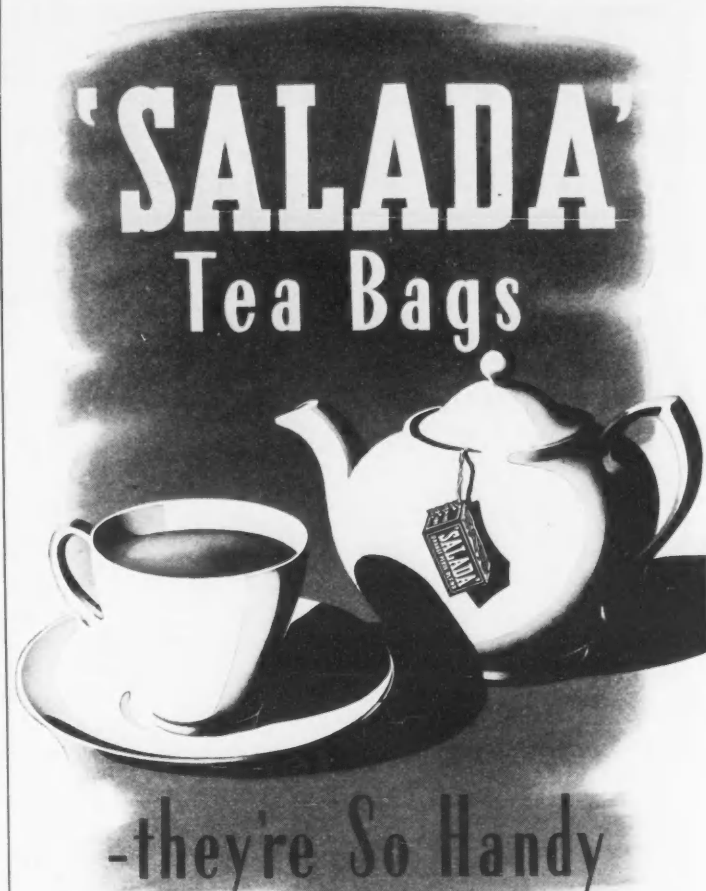
AN INTERESTING CAMERA STUDY of Miss Rowena Harris of Toronto. —Photograph by Violet Keene.

fathered opening a can of salmon and a can of shrimps, draining the liquid off, putting the fish in a baking dish well mixed, and pouring over it a white sauce. Over the top sprinkle a thick layer of browned bread crumbs, or if you prefer it cheese and brown in the oven. The emer-

gency pie was a success and the dish has been added to the list of tried-and-true family favorites.

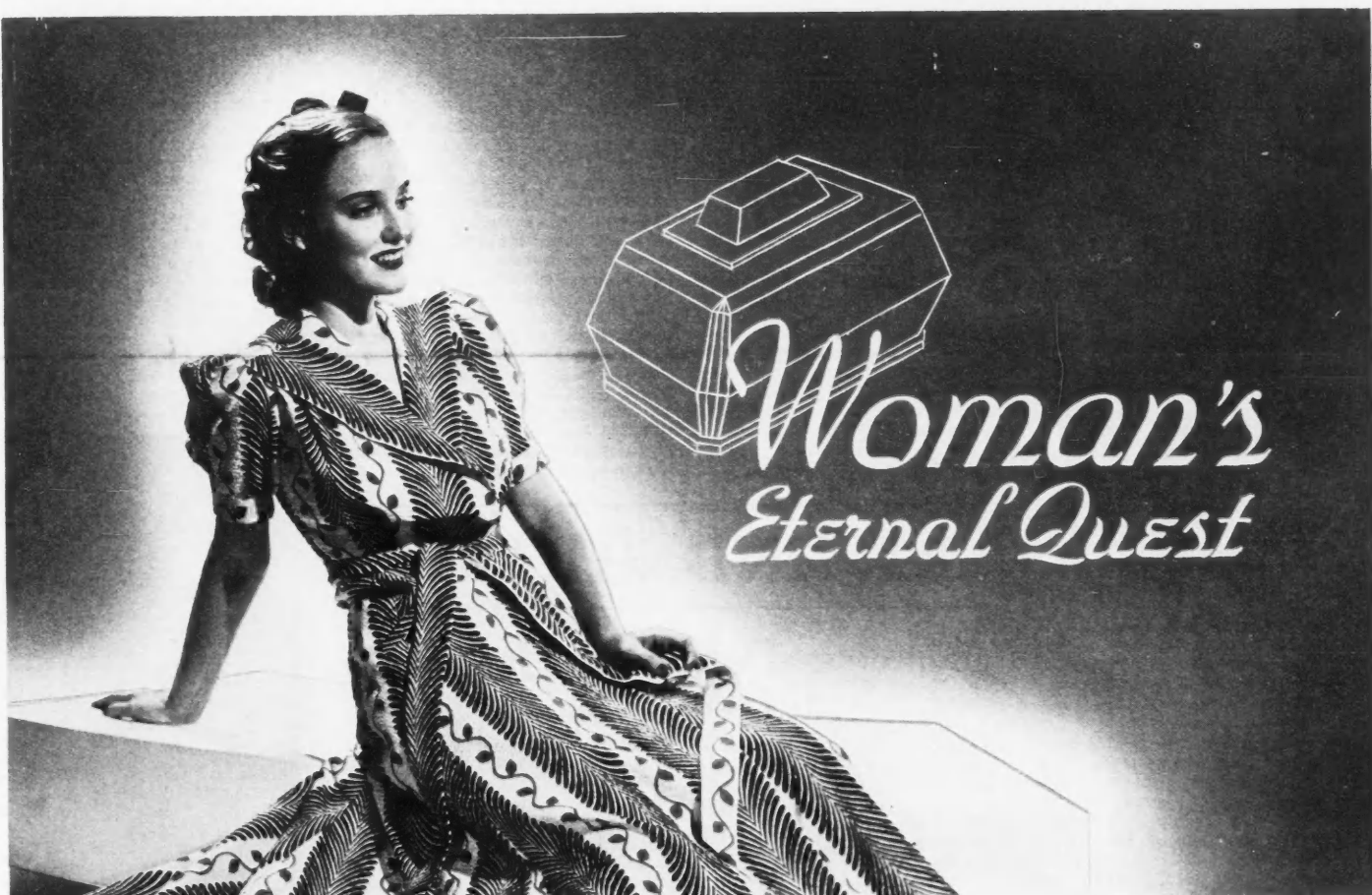
Apples in the Oven

We are all being urged to use up Canada's apples, and never were



apples cheaper and better at the same time. Peel the apples and cut them in eighths, or smaller if the apples are very large. Place them in layers in a buttered baking dish, and sprinkle them with brown sugar on each layer. Add about four table-

spoonfuls of water, just to avoid sticking at the beginning before the apples get juice, cover the top with breadcrumbs, and cook covered in a slow oven, until the last few minutes when you can take the top off and let the crumbs brown.



Photo, Courtesy of ROYAL.

WOMAN'S desire for beauty and charm contributes largely to an expenditure of over \$14,000,000 annually on cosmetics and other toilet requisites in Canada.

Today, women must be constantly informed on the latest beauty trends. In their favorite publication they eagerly seek the newest *coiffure* styles—new makeup technique—hints on figure control, etc. CANADIAN HOME JOURNAL gives them all this in a sparkling, sophisticated manner—interpreting new ideas through exclusive affiliations with leading European and American beauty centres.

In this receptive atmosphere of established editorial leadership and reader confidence, the cosmetic advertiser has at his disposal a smart, well informed audience of Canadian women who represent the profitable cosmetic market.

CANADIAN HOME JOURNAL exerts a powerful influence upon the buying habits of women in over 250,000 homes. It occupies a unique position in relation to other Canadian periodicals—being the first to create a regular monthly beauty department. This important editorial feature is ably directed by the internationally famous authority on beauty culture—Eva Nagel Wolf.

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THE MAGAZINE
THAT GETS THINGS
DONE!





"ZINGO!" Children in Winter, a Canadian amateur photograph by Allen Fraser, Halifax, N.S.

WORLD OF WOMEN

Ribbons, Feathers and the Tiger Stretch

A FESTIVE note in a festive season is the use of all sorts of ornaments on heads as well as Christmas trees. Instead of a corsage, or perhaps with one, many women are wearing an orchid, a gardenia or a pink carnation in the hair. But there are also many other ways of bedecking the coiffure. Feather plumes are worn for important events in San Francisco, for instance; and at the opening of the Chicago opera several women harked way back to 1914 for ideas, and wore osprey hair ornaments. And of course, there are snoods. Often jewellery ornaments are tucked into the snoods, usually over one eye high above the brow.

And don't neglect bows for the hair. Tiny ones to be tucked into curls

BY ISABEL MORGAN

all signs that mark the best of us during a season of much partying.

Mould gently around the eyes with astringent and dry with cleansing tissues. For crows' feet or tiny lines, lightly smooth on a special eye cream, or a rich cream specially suited to the delicate area around the eyes. Whichever of the above creams you choose, smooth it lightly under the eye, working from temple toward bridge of nose, then circle over the lids. With the cream still around the eyes, practice the following exercises:

(A) *Kneading above the eyes.* . . . Put thumbs on cheek bones and curve first fingers, pressing them above the eyebrows. Knead lightly but firmly in six rhythmic movements to outward corner of the eye. Repeat 10 times with each eye.

(B) *Cupping the eyes.* . . . Close the eyes and lightly place the hands in a cupped position over the eyes. Gently press against the eyeball so that you see black. Raise the whole eye and draw slightly outward. As you remove hands open eyes for a few seconds. Repeat 10 times.

(C) *Stretch Eyes and Close for pouches beneath eyes.* . . . Close eye and draw first finger over the eyeball from the nose to the outer corner with slight pressure, elongating eye. Relax, open eye, repeat 10 times with each eye.

For Miss Lazybones who rebels at the idea of springing up from her bed, throwing wide the windows with a glad cry, and going through a series of exercises for the good of her figger, there is now a machine that will help her do it less strenuously. It is called a "tiger stretch" and is a slim, streamlined affair of gleaming chromium metal. It weighs just sixteen pounds and is of a shape and size to fit conveniently into a small apartment closet. At the base of the tube are two knee pads. When in the mood for exercise you simply place yourself in an "all fours" position, with knees resting on the pads . . . grasp the handles and stretch back and forth. The whole idea is said to be based on principles instinctive to the graceful members of the cat family—instantive too, to humans, but somehow forgotten in the muscle-bound tension of modern life.

BITTERSWEET

BY F. B. M. COLLIER

WILD bittersweet of orange and red
Symbolic, bold life, stoutly bred
Off-drenched atop the cedar-pine
Wind-swept, vise-welded, towering vine

Yet nigh abreast the mist-bound steep
Still peers where, wide, in wakeful sleep

The brown and tawny meadow creek
Winds fruitful course, content and meek

So does the spirit scourged by pain
Build each its lofty, groined fane
Above the peak of jagged crags
Where only iron-hoofed, nimble stags
Can harmless climb, but where just man

Must crawl his tortured upward span
With sinews taut, and nerves astrain
His heart hot seared by fevered brain
His flesh betorn by rugged strength
Until the summit, reached at length
He merges spires in Heaven's blue
His eyes, still brooding on the view
Of gracious earth away below
Where health and beauty slowly grow

The while his brethren rate his fame,
Access the bitter, then acclaim
The satisfaction sweet, and know
As he adored the scarlet glow
Of bittersweet aloft on trees
Life giving to a landscape frieze

His fruiting too sheds fiery light
Across the path of genius' sight
Beyond his day, and place. His name
Will like the bittersweet aflame
Emblazon fog and sanctuary wood
For craving reach, as naught else could.

Big velvet ones to pose high in the center of the crown. Long streamer taffeta ones, at the back of the head, with ends trailing down like a nursemaid. Big wide black ones, to go at the nape of the neck, Continental army fashion.

On Hand

An inch at the end of your glove may be enough . . . but this year it's safer to add two, or even three. Gloves are reaching new lengths . . . above the elbow for cocktails and dining out. Heavy gold or jewelled bracelets are worn over long black suede. . . . For street, furred cuffs match tiny turbans—deep gauntlet cuffs swagger in Robin Hood style. For dinner there's the bow-thumb glove, new trickery in hand charm . . . the thumb left bare, a bow of gold kid posed just below it.

Party Lines

With the New Year practically on our doorstep—Leap Year, too—it may not be amiss to tell you something of how a well-known salon instructs its clients to go about the routine of smoothing away crows' feet, lines, hollows and puffs under the eyes—

ART AND ARTISTS

Toward a Definitive Catalogue

BY GRAHAM McINNES

AS THE permanent collection of the Art Gallery of Toronto grows in size and scope, a definitive catalogue becomes an ever more pressing necessity. Recently, the first step in this direction has been taken with the publication of a well-planned brochure, "Some European Paintings in the Collection of the Art Gallery of Toronto." Seven important works are dealt with: portraits by Hals, Bartel Bruyn and Bordone; a Claude landscape; the van Orley madonna; Rubens's "Elevation of the Cross" and Bassano's "Spring." Each work—and this is the greatest value of the pamphlet—is accompanied by a carefully selected detail which is of paramount importance in any study of the pictures concerned. Each photograph is the subject of critical comments based on notes by Professor J. A. Alford.

That some such book be published was long the wish of the late Albert H. Robson, and his interest in the project continued up till the time of his death. In the foreword it is announced that the Gallery hopes to issue a similar pamphlet each year, with the eventual object of perhaps combining them all into one comprehensive catalogue. It is to be hoped that, as the series grows, it may be made available to the general public. Good black and white reproductions are not as easy to come by as they might be; and these—the work of Messrs. Rous and Mann and Brigidens, Ltd.—are very good indeed.

FOR its Christmas exhibition, the Gallery has brought up from New York a rather lovely and wistful nativity by Domenico Girlandajo (1449-94). Those who have any spare time between the Christmas pudding and the New Year firecrackers, should certainly slip down to Grange Park and rest for a while before the smooth lines, the clear and peaceful blues, greens and reds of this charming painting.

FROM the catalogue of the exhibition "An Epic of the Arctic," consisting of work by Franz Johnston, A.R.C.A., F.S.G.A., now on view at the Malloney Galleries on Grenville

Street, I quote the following: "There is no set of standards in Art by which these pictures cannot be judged and found to be master works. Faultless in draughtsmanship, brilliant technically and beautiful in composition, these great paintings fulfill all of the requirements asked of a picture." Mr. Johnston's paintings are of scenes in and around Great Bear Lake, N.W.T. If you're one of those to whom the printed word is gospel, prepare for a shock. No exhibition on earth could be as good as all that. Mr. Johnston's subject matter is novel; his treatment of it is much less than novel. Most of the paintings are, quite frankly, pot-boilers.

At the galleries of the T. Eaton Co. on College Street, Herbert Palmer is holding his annual exhibition of pleasant pastoral scenes.

East Meets West

BY EVAN SANDS

WHEN Kipling wrote that "East is East and West is West And never the twain shall meet" he evidently was unable to anticipate the time when the Maritime Art Association and the Vancouver Art Gallery would be joining hands in the common cause of the promotion of the interests of art. And yet that very thing has happened. But for that matter, when Kipling was writing his observations about longitude, which was quite a long time ago, not even the most far-seeing prophet in Canadian art circles would have dared to think of such a thing as the coming together of seventeen art groups "down by the sea" to co-operate under the name of the Maritime Art Association; and yet that very thing happened in the spring of 1935, and the Association is now celebrating its fifth year of existence with more than usual activity.

The exchange exhibition with the art gallery of Vancouver had been contemplated for some time, and came up for definite consideration at the annual meeting at Mount Allison University in May last. Mr. N. A.

Dine at the King Edward \$3.00
on New Year's Eve!

NEW YEAR'S EVE WILL BE DIFFERENT THIS YEAR AT THE KING EDWARD! Instead of the elaborate ball with floor show and souvenirs, both of which are being eliminated on account of Sunday, there will be a very fine dinner served from 10 o'clock onwards at which there will be a musical entertainment.

And later.... DANCE
at no extra cost

At midnight, the concert orchestra will be replaced by Luigi Romanelli's famous dance orchestra to which you can dance to the usual New Year's Day hour. There will be hats, balloons and noisemakers . . . everything to give a convivial welcome to 1940. And all this at a price that includes everything . . . dinner, dancing, etc.,—\$3.00 per person. Be sure to join Toronto's smart set, who as usual, will be very much in evidence on this occasion.

Celebrate Christmas at the KING EDWARD!

SATURDAY, DECEMBER 23RD. Don't forget the Special Shoppers' Luncheon. As usual this event will provide a joyous meeting place for old friends. Served in both the Oak Room and Victoria Room, there will be a fine program of Christmas Carols by an ensemble of the Canadian Singers' Guild under the direction of Walter Bates.

MONDAY, DECEMBER 25TH. Special Christmas Family Dinner (12 p.m.—3.30 p.m.) \$1.50 per plate. Musical program by the Victorians—Canada's finest quartette with Luigi Romanelli's famous orchestra.

Special Festive Dinner (from 6 p.m.) \$2.50 per plate. With complete musical program comprising a group from the Canadian Singers' Guild, under the direction of Walter Bates, and other entertainers. Those attending the Christmas Festive Dinner are privileged to dance at the Supper Dance in the Crystal Ball Room at no extra cost. Throughout the entire proceedings, Luigi Romanelli's Orchestra will add to the excellence of the entertainment.

GIVE THE FAMILY AN EXTRA TREAT

Sunday, December 24th offers an excellent opportunity for another family treat i.e. DINNER AT THE KING EDWARD. Why not try it, this year?



King Edward Hotel

P. KIRBY HUNT, General Manager

PHONE YOUR RESERVATIONS TO WA. 7474

JANUARY 1ST 1940

New Year's Day — Mid-day Dinner \$1.50 Per Plate

New Year's Night — Dinner 7.00 6 o'clock with vocal and musical program. \$2.50 Per Plate

Those attending the New Year's Night Dinner are privileged to dance at the Supper Dance in the Crystal Ball Room at no extra cost.

Heslar, president of the Sackville Art Association, was appointed to make initial inquiries. Later there were negotiations between Mr. A. S. Grisby, secretary-treasurer of the Vancouver Art Gallery, and Mr. John M. Meagher, president of the Maritime Art Association, as a result of which forty water-colors, this year's work of British Columbia artists, will circulate through the groups of the Maritime Art Association while a cor-

responding exhibit from the Maritimes goes to the Pacific coast and will be shown en route at Saskatoon, Regina, Edmonton and Winnipeg as well as at the University of British Columbia.

The Maritime Art Association is unique in that it brings together art groups functioning in three different provinces. Its activities include a yearly schedule of travelling exhibitions, composed for the most part of works obtained from the national gal-

lery of Canada, and the holding of occasional lectures, both exhibitions and lectures being free to the public; and it contemplates an extension of this program.

The judging of the works of Maritime artists is always done by an outsider, and this year's judge was Edwin H. Holgate, R.C.A., of Montreal. The annual meeting next year will be held at Acadia University, Wolfville, N.S.



AN EXCLUSIVE PHOTOGRAPH OF CARDINAL VILLENEUVE, taken when His Eminence was in Rome.

WORLD of WOMEN

True Confessions About Parties

BY BERNICE COFFEY

WE DOUBT if there is such a thing as an exact formula for a successful large party, but the advice which follows comes from a popular man-about-town whose own parties take place with the élan of a Cole Porter first night.

In the first place, he told us, a good party requires management, ideas and lots of work on the part of the person who is giving it. You can't just decide to give a party, order food and drink, invite the guests and then expect the thing to run along of its own momentum. If you do, it probably will turn into one of those dully polite affairs which people leave early and unregretfully. And serve you right, too.

Prepare the lighting of the room as carefully as does the stage manager of a play. Keep it soft enough to give every woman the illusion of beauty, but bright enough for everyone to see and be seen.

Give your guests enough room to break up into cozy little isolated groups and soon you'll hear the 'orrible 'ush that means the party is about to breathe its last. Crowd them in like subway customers at the rush hour and it becomes a physical impossibility for them not to mingle.

A noisy party may not be a "polite" party but as you may have noticed it's usually a successful one. Provide a background of phonograph, radio, or orchestral music. The quality of the music is not important, but its liveliness and loudness are. Voices will rise above it and conversation will be on the light side since no one expects to be taken seriously while discussing Life and Things at the top of his or her lungs.

Food and liquor need not be expensive but should be good, plentiful, and easily managed without the aid of plates or tools.

The host or hostess must keep an eye peeled for the occasional wallflower lurking behind the potted palm in the corner, and the solitary one must be plucked forth "to meet So-and-So who is so anxious to know you."

The man from whom we extracted these nuggets of party wisdom usually retires into exhausted seclusion when the door closes behind the last reluctant-to-leave guest. But that's a small price to pay for a big success.

The Women

We won't vouch for the truth of the story but here it is coming at you for what it is worth:

The incident took place on the set during the filming of "Ninotchka" (Garbo LAUGHS!) where Greta Garbo and Ina Claire met for the first time. When the two were introduced Garbo said, "I hear, Miss Claire, that you make funny imitations of me."

Ina Claire tried to laugh off the remark with as much nonchalance possible under the circumstances but Garbo was not to be put off. "You will do it for me now, please."

With a mental shrug of the shoulders Ina Claire launched into her most thorough Garbo imitation—baritone voice, accent, and all the trimmings.

At its conclusion there was a short silence.

"One of us is very funny," was Garbo's only comment as she walked away.

When Dress Meets Dress

No man can be expected to understand the outraged feelings of a woman who meets another wearing "her" dress. When she chooses a dress it becomes an intimate and very personal part of her and another wearing a similar frock becomes on sight a thief of her identity, a personal affront, a betrayal. Of course both are wondering why on earth the other had the bad taste to choose that particular dress when it doesn't become her at all—poor dear.

These minor catastrophes happen most frequently in the larger centres of fashion such as Paris—"At the Duchess de Flet Mignon's charity fete Lady Tweedledum Cholomondeley, Mrs. Smythe-Smythley and Senora Rio Grande all wore Schiaparelli's marvellous white lace Jitterbug dress." And in New York—"Marlene Dietrich left the Stork Club in a huff shortly after her arrival there last night when she discovered Mrs. Jock Biffney seated at the next table. Both were wearing Hattie Carnegie's distinctive Whirling Dervish model—as well as a fit of pique."

And it can, and does, happen here. At the Highlanders' Ball held in Toronto recently at least three women wore identical dresses of Red Pepper crepe. Each of the jackets was trimmed with fleurs de lis of silver leather, but the jacket disappeared from one of the dresses shortly after its wearer discovered how the land lay.

Coki-Oki

Our operatives tell us that the newest dance is the Coki-Oki. Ridiculously simple, completely zany and barrels of fun, it was introduced to his public at the Royal York Hotel by Horace Lapp. The Coki-Oki comes from somewhere in the States where it was discovered by someone who came back to Toronto and hummed it in Horace's ear. He promptly got busy, whipped together the orchestral arrangements and presented Coki-Oki at next evening's supper dance.

The lyric goes on and on, and directs the course of the dance:

"Put your right foot out
Put your right foot back
Put your right foot out
Turn it all about."

The verses go on from there to the left foot, then right and left arms, right and left shoulders, right and left hips, and conclude with "your little self" (meaning tummy and derriere). At the concluding words of each verse, "turn it all about," the hand is placed on top of the head and a complete turn made with the body.

That's the Coki-Oki—and don't forget your chiropractor's telephone number.

Last Minute Notions

To send a soft glow of light over the faces of those gathered about the festive board those chubby candles about two inches square and six inches tall are difficult to beat. They are not new and you probably have seen them burning inside their own shield of wax which conceals the flame as they send out a soft white light for hours and hours. (\$1.95). Smaller candles in the shape of stars, pine trees and bells are to be had at the very mere price of 20 cents a piece. Our sense of fitness was shocked to



BRILLIANT AUTHOR. Agnes Newton Keith, whose account of life with her husband in North Borneo, "Land Below the Wind," is a witty best seller. A review of the book recently appeared in Saturday Night.

the core by the sight of portly Santa Claus candles with a wick emerging from the top of the old chap's head. Think of being faced with the gruesome sight of Saint Nick slowly melting away before your eyes. The matter was cleared up when someone explained that the Santa candle has a

will take place in Sydney. Miss Fitzgerald is a daughter of Mr. and Mrs. Desmond Fitzgerald of Loretteville.

Mr. and Mrs. Hugh Mathewson have taken up their residence in Montreal in the Linton apartments for the winter. Mrs. Mathewson recently returned from Point Platon, where she was the guest of Mr. and Mrs. Alain Joly de Lotbiniere for several weeks.

Mrs. T. Alexander Galt has left Toronto to spend the winter in South Carolina.

Mr. and Mrs. W. B. Cleland have taken a house in Toronto at 76 Clarendon Avenue for the winter.

Mrs. Rankine Nesbitt of Toronto will have as her guests for Christmas, her parents, Brigadier and Mrs. Victor Anderson; her brother-in-law and sister, Captain and Mrs. Arthur Fraser; and her sister, Miss Barbara Anderson, all of Ottawa.

Lieutenant T. R. C. Goff, Scots Guards, has arrived at Government House to take up his appointment as Aide-de-Camp to the Governor-General.

Mr. Murray Cassils, who has been visiting his grandmother, Mrs. Archie Cassils, in Hollywood, California, has returned to Montreal.

Miss Joan Arnold, of Toronto; Major and Madame A. Joly de Lotbiniere, of Point Platon, Que.; and Mrs. A. Gemmell, of Arnprior, spent the week-end at Government House, Ottawa.

Mrs. Malcolm Mackay and Mrs. G. Heber Vroom, of Rothesay, N.B., have left to spend the winter in St. Petersburg, Florida.

Mr. and Mrs. Ralph Hees of Toronto have left to spend the winter in California.

Mr. and Mrs. John E. Oberne, who have been the guests in Ottawa of the latter's mother, Mrs. Percy Borden, have left for Miami, Florida.

Surgeon-Lieut. and Mrs. Edward A. Sellers, of Victoria, B.C., are spending the short Christmas leave in Winnipeg, the guests of Mrs. Sellers' parents, Mr. and Mrs. Hugh G. Moncrieff, Wellington Crescent.

Mr. and Mrs. W. H. Budden of Ottawa, will be spending the Christmas holidays in Montreal, the guests of the former's mother, Mrs. Hanbury Budden.

Mr. and Mrs. Palmer Wright and their children of Toronto will spend Christmas in Ottawa, with Mrs. Wright's parents, Sir Percy and Lady Sherwood.



MRS. MURRAY DEANS COX, née Miss Margaret Isabel Clark, daughter of Mr. and Mrs. William J. Clark, whose marriage took place recently in Toronto at Deer Park Chapel. Mr. Cox is the only son of Mrs. Cox and the late George M. Cox.

—Photograph by J. Kennedy.

trick arrangement of the wick so that it burns inside. Instead of being consumed Santa is lit up. We thought the idea most appealing in a repulsive sort of way.

Hunt Ball

The annual Eglington Hunt Ball will be held in the Crystal Ballroom of the King Edward Hotel, Toronto, on Friday, January 12. The proceeds this year will be given to the citizens committee for troops in training. The chairman of the separate committees include: Mr. H. R. Bain, M.F.H.; Mr. Harry E. Foster, Mr. George Lunan, Mr. Elwood A. Hughes, and Mrs. H. R. Bain.

TRAVELERS

Mr. and Mrs. Peter Ayles, of Vancouver, have taken up residence in Ottawa, and are occupying Dr. and Mrs. Duncan Campbell Scott's house in Lisgar Street, for the winter.

Mrs. W. C. Brooks has returned to Brantford, Ont., after visiting her son-in-law and daughter, Mr. and Mrs. E. B. Harshaw of Westmount, Que.

Mrs. Edward F. Sise has returned to Montreal from her residence at Roanoke, Virginia, where she spent several weeks.

Miss Margaret Fitzgerald has left for Vancouver whence she will sail for Australia, where her marriage to Mr. James Sutcliffe, of Melbourne,



MISS AMELIA GIBBS MARTIN, daughter of Mrs. Martin and the late Rev. Donald MacLean Martin of Toronto, whose marriage to Mr. William Eric Gibbs of London, Ont., will take place in January. Mr. Gibbs is the son of Mrs. Gibbs of Toronto and the late James H. Gibbs of St. John's, Newfoundland.

—Photograph by Violet Keene.

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Right—BRITTANY
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Announcements

MARRIAGES

The marriage is announced of Mary Leona White, daughter of Mr. Esli Terrill White and the late Mrs. White, to William Richard Feasby, son of Mr. and Mrs. William James Feasby. The marriage was performed by Reverend Gerald S. Despard on December 12, 1939, in Hart House Chapel.



MISS PHYLLIS BRYSON ROSS, whose marriage to Mr. Bruce Falconer Anderson, of Kingston, was an event of Friday, December 22. She is the daughter of Mr. and Mrs. George Henry Ross of Toronto. Mr. Anderson is the son of Mrs. C. E. Bennett of Stayner.

—Photograph by Violet Keene.

THE BACK PAGE

The Wave

BY MARY QUAYLE INNIS

IT WASN'T that he read the paper at breakfast. It was that he looked up, smiling a little, and didn't see her. If she painted her nose green some morning or wound a bath towel around her neck, would he notice?

"Are you coming home for dinner, Perry?"

Perry's easy "Mmmmm," fell comfortably among the small sounds of stirred coffee and breaking toast.

He looked so young because he was fair; it was impossible to tell whether grey had touched his blond hair and the red sat full and strong on his cheeks. Nobody had ever taken her for his mother instead of his wife but if they were to leave the town where they knew everyone, she felt sure that somebody would. Not that she stayed at home on that account. But Perry went away only on business and the habit of going alone had carried over from the years when the children were little.

Glancing sideways, Mrs. Archer saw in the buffet mirror the flat lines of her soft, fine grey hair and wondered for the hundredth time how she would look with a wave. It seemed incredible nowadays, but she had never had her hair waved. In her girlhood, her mother had disapproved of rags and curlers. Her mother had been dead more than twenty years but Mrs. Archer could still hear her say severely,

"People's hair looks best if they



"... AND JUST THEN HER HUSBAND CAME IN."

leave it alone. Very likely curls wouldn't become you."

Very likely not but Mrs. Archer had always wondered. At least they would make her look different and lately she had grown tired of the gentle, patient face and smooth, dispirited-looking hair her mirror showed her. Perhaps Perry would see her if she looked different. The children lived too far away to know what she did. She had only Perry now.

SHE would not have thought of such a thing if it hadn't been for the dollar left from last month's allowance. Their expenses were figured

so closely and Perry gave her so exactly what she needed, that she rarely had more than a few cents left over at the end of the month. It was hard to explain the dollar but there it was and for that she could get a shampoo and wave. She had always wanted to have her hair washed in a beauty parlor just to see how they did it. She could go this afternoon and surprise Perry. What would it be like to have him look at her with interest?

He patted his lips with the napkin and stood up. Tonight he would look at her and say,

"Well, who've we got here?" He used to ask that when she got a new dress, soon after they were married.

"By the way," he said, "I won't be home for dinner." He spoke without looking at her, moving the hat carefully on his head, to get the proper set.

"Why, it isn't Lodge night!" she exclaimed.

"No, but there's a meeting. Bye." He could kiss her without seeing her.

Well, tomorrow night then. Tomorrow night he'd see her. The back door banged and she went to speak to Lottie.

Lottie Hudd came once a week to clean but this week she was coming two days' running to wash curtains and wax the floors. Lottie was Mrs. Archer's one extravagance, but since her operation she had not been allowed to do heavy work.

Lottie jerked off her beret and scrambled into her apron and tennis shoes. She was a big girl, plump and pretty, with brown eyes and a mop of shaggy black hair. Mrs. Archer wondered uneasily whether she combed it out every night. But she was strong and a good worker though she never stopped talking. She and her husband lived in two rooms in a house by the river with their baby eleven months old.

"Bobby's sick," she exclaimed, as soon as she saw Mrs. Archer. "I was up and down all night, he was that restless. The woman downstairs says likely it's summer complaint."

"Has he got a temperature?" Mrs. Archer asked anxiously.

"Well, he seemed kind of warm but it's hard to tell. My, ain't babies the fussy little things? I don't see how you ever raised three, Mrs. Archer."

JOE-PYE WEED

JOE-PYE the Indian, soft-footed, quick-eyed, In his fringed doeskin coat Roamed the wide countryside Plucking rare stem and sprig. Ripe pods for remedies, Crests of the red velvet sumac for teas,

Pepper-black seed, Root of the lily and leaf of the weed.

Joe-Pye cured fevers and chills; They whispered it round

The settlements, villages, valleys and hills,

Fixing his name On the dusty-pink blooms the last

bumblebees love And shivering butterflies hover above

When corn stalks are in, And apples go tumbling into the bin.

LENORE A. PRATT

I declare one's all I can manage. I'm asleep on my feet." "Did he cry all night? Poor little soul."

"Well, we wasn't there the first part the night. Bob and me was over to Collins's and we danced to the radio and Stan Collins got doing card tricks. Say, I like to died! He had Bob pick a card an' then he made a lot of passes an' let on like he found it down my back. I like to died! They was cutting up so we couldn't break away an' when we did get home, the woman downstairs said Bobbie was awake an' he never settled down again. Say, I could sleep if you'd hang me on a nail."

"Do you think you ought to leave him, Lottie? You could come here another day."

"Oh sure, he'll be all right. The woman downstairs, she'll look after him. She's had six. She said she'd call up if he ain't so good."

ALL day whenever the telephone rang, Mrs. Archer could not get to it fast enough to see whether Bobbie was worse. But Lottie didn't seem to worry and sleepy as she was, she worked like a Trojan. She was a nice girl; the only fault Mrs. Archer found with her was that she didn't take her baby seriously enough.

Whirl into 1940 in

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AT THIS CRITICAL point in Canada's history, be and buy Canadian! Use Canadian cleansing tissues, for instance. Keep Canadian railways busy, Canadian raw materials turning over. How to recognize Canadian cleansing tissues? Read the following names and next time you see them in your favorite shop buy them in preference to products which have not been made in Canada and which, in many cases, are inferior by actual test to your own Canadian-made cleansing tissues whose softness and absorbent qualities are a valuable feature of such brands as "Caresse" at Loblaw's, "Face-Elle" at Drug Stores, "Fastidius" at the A. and P., "Gibson's" at Grocery Stores, "Velvetta" at Independent Drug Stores, "White Velvet" at Simpson's. The National Cellulose Company of Canada have made microscopic tests of the texture of these tissues, and photographs of these tests prove the fineness and excellence of the tissue fabric. No household is complete without an abundant supply of cleansing tissues, and remember that when you shop for them you can declare your own personal "declaration of independence" by BEING AND BUYING CANADIAN!

CONSERVATIVELY COMFORTABLE, meticulously managed, the Alexandra Palace caters to the most consistently discriminating clientele in Canada. Apartment hotels come and go in public favour, but the Alexandra Palace continues to hold its place among the world's top-ranking hostilities. Visitors from the smart capitals of Europe have booked for a week at the Alexandra and have remained with their families for months... During these months of residential changes when many officers have been transferred from out-of-town stations to Toronto, the Alexandra remains the ideal answer to the question of where to live for military people during the uncertain months ahead when frequent moves are an inevitable wartime necessity. The perfect "home away from home," the Alexandra provides a cuisine, service and conservatively luxurious environment which remains one of Canada's smartest addresses in the heart of Canada's largest shopping and cultural district.

THIS ITEM comes less as a "reminder" than as a bit of distinctly timely news. Every sophisticated, clothes-conscious woman loves homespun. A new shipment of homespun specially woven in those beautiful soft colors which the

machine age has tried so long and so futilely to copy, has been procured by the Pickering Farms for their "carriage trade" clientele. Women who take a pride in their tables, who will tolerate only the freshest food and the most carefully selected meats and vegetables, have made the Pickering Farms a shopping habit of long standing. It is for this discriminating group of women that the management have arranged for these valuable lengths of true country homespun, 54" wide, in softly endearing shades of Burgundy, Green, White, Navy Blue, Black, Danish Blue, Steel Grey, Bisque. Drive to 692 Queen St. East, at Broadview. HA. 2108.

AS FLOWERS turn to the sun, children turn to music... but have you ever noticed how much children prefer home-made music? There are memories which will never grow old... memories of a ring of young faces around mother at the piano, of lusty singing and simple tunes. A home is never quite a home unless somewhere in its past or present it can boast of possessing a piano. Heintzman and Company have delivered many pianos to discriminating buyers' homes on Christmas Eve down through the years, and they still continue to deliver them to the children and grandchildren of those who were first greeted with the thrill of a new "Heintzman" on Christmas Eve. To prove that Canada is developing culturally from coast to coast, carloads of Heintzman pianos are being shipped to the west to take care of an ever-increasing demand for home-made music of Heintzman-made quality... beauty of tone and action which have been acclaimed by artists throughout the world. A lifetime gift for the entire family. Budget terms arranged if desired.

FACTS YOU should know about "Beauty Home Work." The Hiscott Institute has improved and developed Princess Toiletries from experience resulting from treating tens of thousands of cases. Today they are in constant use at the institute for the famous Hiscott Facials... no greater recommendation should be necessary. These preparations are compounded to add to the natural beauty of the skin and to remedy faulty conditions. Write to the Institute stating your own particular problem before ordering a specific preparation for unusual skin conditions. For general purposes the Princess "SKIN FOOD" is unexcelled as a bland and nourishing cream that feeds tissues and restores sagging muscles. This cream is particularly valuable for massage, or applying to scar tissue or marks left from skin troubles... AND IF YOU ARE SUFFERING FROM SELF CONSCIOUSNESS as a result of superfluous hair, remember these facts on electrolysis. The Hiscott is the oldest institute of dermatology in America. Many of their clientele are sent by the medical profession. They use the finest and latest types of equipment. All Hiscott operators have had vast experience in electrolysis. And lastly, Hiscott electrolysis is not in the "luxury brackets." Write 61 College Street, Toronto, or telephone AD. 9652.

"You can't treat children like that," Mrs. Archer had said to her husband. "I always worried about ours."

"You sure did," Perry exclaimed through his paper. His wife asked in a quick, anxious voice,

"Was I that bad?"

"Pretty near," he answered easily, not looking up.

Perhaps she had worried too much but Lottie didn't worry at all. Even

WISTFUL THINKING

THE clothing of Potts, the painter, Was nought but a rag and tatter. Raiment, he often said to his wife, Was the last thing that could matter.

When she spoke of Gents' Lounge Suits,

He said "Let it slide," and it slid.

"I know it doesn't matter," she said,

"But God, how I wish it did!"

DAVID BROCK.

now, scrubbing the bathroom floor, she was singing some popular song Mrs. Archer didn't know and when she came down to eat lunch she didn't mention the baby.

"Bob's going to try an' get me a new dress. We want to go to this picnic the seventeenth. An all-day picnic to the Point. Say, I can't hardly wait! We can take Bobbie; there's going to be a tent to put the babies in. Basket lunch an' games an' dancing at night. Bob says I look like the hind end of nothing an' he thinks maybe he can get me a dress before then. Won't it be swell?"

Mrs. Archer smiled and nodded. Lottie was younger than Margery, her youngest daughter. Mrs. Archer hated to think of the two hot upstairs rooms where the Hudds lived. It was no place for a baby, a sick baby too. She had had this big old house to bring up her own babies in. It hurt her to think of little Bobbie Hudd; if only she could do something for him. Suddenly she remembered the dollar bill under her dresser cover. It was a shame for her to spend it on getting her hair waved when the baby was sick and needed so many things. She ran upstairs for it.

Lottie crammed on the beret over the black jungle of her hair.

"Well, I guess he must be all right,"

PATTERN FOR LOVE

I'LL be all women to you, love, Sophisticated, gay and wise Demure and docile as a dove A gypsy girl with dancing eyes,

I'll be all women, love, to you Exotic, clinging, fancy-free So you can stay at home and do All your philandering with me!

MAY RICHSTONE.

she said cheerfully. "She didn't call up anyways."

Mrs. Archer paid her and then held out the dollar bill.

"I want you to take this," she said in a low, hurried voice. "On account of Bobbie being sick. Get him something." She stopped. It wouldn't be polite for her to specify too closely how a gift should be spent.

"Why, Mrs. Archer, that's real good

in you but I can't take it. You got plenty places to put money."

"No, I want you to have it." She pushed the bill into Lottie's big moist hand. "And I do hope Bobbie's better. Don't come tomorrow if he isn't. My work can wait."

"Well, that's awful sweet in you. I guess we need plenty, all right. But you sure you can spare—"

"Of course. Goodbye, Lottie."

ALL evening while she sat alone, Mrs. Archer thought of the things her dollar would buy for Bobbie. She couldn't remember when one of her many solitary evenings had passed so pleasantly. In her mind she went over the lovely baby things in the stores, balancing this against that. Bobbie might have plenty of orange juice and special baby biscuits, or perhaps a romper or little shoes, now that he was beginning to stand. Anyway her mother had probably been right and waved hair would make her look silly. Suppose she had got her hair waved and Perry did not notice.

When she heard Lottie come in the next morning, she thought gladly, "Bobbie's better." Perhaps Lottie would tell her what she meant to buy with Bobbie's money.

The girl stood in the middle of the kitchen, laughing at Mrs. Archer's astonished face. Her head was an amazing structure of glossy black curls fitted together, tight and gleaming. Under its intricate order her beaming face looked plumper and redder than ever.

"See what you treated me to! When I got home, Bob says to me, 'You ought to do something with your hair. It looks like a hurrah's nest.' So I

run right out and got it done. Don't it look swell?"

Something awoke in Mrs. Archer's breast with a harsh and terrible cry. She had never felt so before; she wanted to strike Lottie's radiant face and get her hands into those polished black sausages. Breathing very fast, she stooped as though she saw a pin on the floor, but if she had seen one, her fingers were trembling too much for her to pick it up.

REGRET

I'D LIKE to live with reticence And hide my heart away — The heart you broke on Tuesday — But, alas, I've rent to pay.

So though I'd rather silent be And peak and pale and pine, I am obliged to sell my heart For twenty cents a line.

—JOYCE MARSHALL.

"Say, I can't hardly wait till the seventeenth. They're going to have dancing." "Bobbie—" Mrs. Archer muttered, still stooping, the hot blood in her face.

"Oh, he's lots better. It wasn't anything. Bob says I look swell an' he's going to get a dress now, sure."

Mrs. Archer straightened, holding an imaginary pin between thumb and forefinger. Suddenly she thought how funny she would look with a nest of writhing black curls on her head. She began to laugh. Perry would look at her then. Lottie looked surprised, almost offended, but for a moment Mrs. Archer could not stop laughing.

